

# **Rules and Regulations**

CMS ELECTRIC COOPERATIVE, INC.

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MEADE, KS 67864

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# Rules and Regulations

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## **SECTION 1 – APPLICATION FOR SERVICE AND AGREEMENTS**

- A. **APPLICATION BY CUSTOMER:** Application for electric service will be made in writing by Customer to the Cooperative on the Cooperative's Standard Electric Service Agreement, although the Customer may at the discretion of the Cooperative be connected based on an oral request, in which event the Customer's electric service will be pursuant to the Cooperative's Standard Electric Service Agreement. The Electric Service Agreement is in effect 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 will be supplied to the Customer under the provisions of the Cooperative's Articles of Incorporation, Bylaws, Customer's Electric Service Agreement, the Cooperative's applicable Rate Schedules, and all Rules and Regulations 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 Customer. The taking of electric service by a Customer will constitute acceptance of, and Agreement to be bound by, all such provisions. Any changes in Articles, Bylaws, Rate Schedules, or Rules and Regulations will act as a modification of the Electric Service Agreement then in existence without further notice to the Consumer.
  - (2) The Consumer will 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 of electric service to be supplied and the conditions under which it will be supplied.
- C. **RATES:** Rates for electric service will be those of the Cooperative currently in effect subject to applicability to the Customers and subject to change provided by law. Copies of the Rate Schedules currently in effect may be reviewed by any Customer at the Cooperative's principal place of business where they have been filed of record. Customer's eligibility for service under any particular rate schedule shall be determined solely by the Cooperative based upon the eligibility criteria set forth in the rate schedule. In the event that the Customer is eligible for service under one or more rate schedule, it shall be the sole responsibility of Customer to determine the rate schedule under which the Customer will receive service. In the event the Customer makes no such election, the Cooperative may provide service under the rate schedule which the Cooperative determines to be applicable to the Customer. The Cooperative shall not be liable, and shall be held harmless, from the Customer's failure to elect the appropriate rate schedule under which service shall be provided.
- D. **TERM OF CONTRACT:** Unless otherwise specified, Electric Service Agreements will be effective for an initial period of one (1) year commencing on the date that the service is made available to the Customer. When justified by particular service requirements, the Cooperative may require a contract period in excess of one (1) year commensurate with the Customer's electric service requirements and the necessary service facilities and equipment. Service will be continued after the expiration of the initial contractual period until canceled by the Customer upon proper notice to the Cooperative.

E. TEMPORARY SERVICE:

(1) Additional Charges: Temporary service may be supplied in accordance with the applicable Rate Schedule for the type of service to be supplied, except that there will 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 and in accordance with these Rules and Regulations.

(2) Refund to Customer: Upon removal of said temporary service, all non rate-schedule charges in excess of the Temporary Service Minimum Fee or actual cost to the Cooperative, whichever is greater, will be refunded to the Customer after Customer's bills for electric service have been paid.

F. CHANGE IN OCCUPANCY: When a change of occupancy is to take place on any premises supplied with electric service by the Cooperative, the outgoing Customer will give written or oral notice to the Cooperative's office not less than seven (7) days prior to the date of change. If the connect or disconnect request is oral, 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 (4) months. The outgoing Customer will be held responsible for payment of all electric energy recorded by the meter until the requested time of termination. If no notice is given, the outgoing Customer will be held responsible for electric energy recorded during the time in which the account continues to be in the Customer's name as shown by the records of the Cooperative. The Customer will not by such notice be relieved of any obligations already accrued the Electric Service Agreement or other contract with the Cooperative.

G. RE-SELLING OR REDISTRIBUTING OF SERVICE: The electric service provided is for the sole use of the Customer and the Customer will 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 will be sufficient cause for discontinuance of service under Section 4 A (1)(h).

**SECTION 2 – CREDIT AND SECURITY DEPOSIT REGULATIONS**

A. ESTABLISHMENT AND MAINTENANCE OF CREDIT:

(1) Credit Information: The Customer may be required to provide reasonable credit information to the Cooperative before service is made available. The credit information will be requested and provided in a form acceptable to the Cooperative. The Cooperative may request positive identification (identified as photo with name) from the Customer. If positive identification is not immediately available, a Customer providing a full deposit should have at least thirty (30) days to secure positive identification.

(2) Security Deposit Required: 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 Customer has as unsatisfactory credit rating, or has an insufficient prior credit history upon which a credit rating may be based. A copy of the Adverse Action Letter shall be delivered to the Customer as required by the Fair Credit Reporting Act (FCRA) if a higher than normal deposit is required.
  - (b) The Customer has outstanding, with the Cooperative, an undisputed and unpaid service account.
  - (c) The Customer has, in an unauthorized manner, interfered with, or diverted or used (meter bypass), the service of a utility within the last five (5) years.
- (3) 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 Customer has outstanding, with the Cooperative, an undisputed and unpaid service account.
  - (b) The Customer has in an unauthorized manner, interfered with, or diverted or used (meter bypass), the service of the Cooperative within the last five (5) years.
  - (c) The Customer fails to pay an undisputed bill before the delinquency date for three (3) consecutive billing periods, one of which is at least sixty (60) days in arrears.
- (4) No deposit will be required because of a Customer's race, sex, creed, national origin, marital status, age, number of dependents, source of income, or geographical area of residence.
- (5) Guaranty or Surety Bond: In lieu of requiring a security deposit, the Cooperative may in its discretion accept the written guarantee of any of its Residential Customers with no deposit on file or may accept the written guarantee of a responsible party a surety for a Customer's Electric Service Agreement. The Cooperative may require the Guarantor to sign an agreement allowing the Cooperative to transfer the Customer's debt to the Guarantor's account. In the event the Customer's debt is transferred to the Guarantor's account, the Guarantor will have the same time to pay the deposit as a new Customer and can be disconnected for nonpayment under conditions set out in Section 4 A (1)(e). The Cooperative will not hold any Guarantor liable for sums in excess of the maximum amount of the required cash security deposit. The Guarantor of a Residential Customer will be released upon non-delinquent payment of all undisputed proper charges for electric service as outlined in Section 2 D or upon termination of service and payment of service bills.

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

- (1) For Residential and Small Commercial Customers, the amount of the cash security deposit or surety bond required will not exceed the amount of that Customer's projected average of two (2) months bills. If the Customer has been documented to be diverting service (meter bypass), an additional deposit based on one month's average use may be assessed.

- (2) For other than Residential or Small Commercial Customers, the cash deposit or surety bond will not exceed the amount of the Customer's projected largest two (2) months' bills. If the Customer has been documented to be diverting service (meter bypass), an additional deposit based on one months' largest usage may be assessed. The security deposit of Customers other than Residential or Small Commercial will be payable in full upon notice as provided in Section 2 A.
- (3) For the purpose of establishing security deposits and projecting monthly bills, the Cooperative will consider the length of time the Customer can reasonably be expected to take service, Past Consumption patterns, end use of service, and consumption patterns of other similar Customers. The amount of the cash security deposit or surety bond may be adjusted if the character or volume of the Customer's service should change.
- (4) Security deposit will be non-transferable from one Customer to another; however, upon termination of the Customer's service at the service address, the Cooperative may transfer the security deposit to the Customer's new active account. Disconnection for non-payment of security deposit will be governed by Section 4 A (1) (e) of these Rules and Regulations.

C. SECURITY DEPOSIT RECEIPTS:

- (1) The Cooperative will maintain a record of all security deposits received from Customers showing the name of each Customer, the location 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 receipt will be issued to the Customer containing the following minimum information:
  - (a) Name of Customer;
  - (b) Account number;
  - (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 deposit; and
  - (g) Statement of terms and conditions governing the use, retention and return of deposits, as outlined in 2 D and 2 E.

D. REFUND OF SECURITY DEPOSIT:

- (1) Upon termination of service, if the security deposit is not to be transferred to the Customer's new account, the Customer's deposit will 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 thereto; provided that, Customer has paid all bills due the Cooperative; has allowed the Cooperative to remove its meter and equipment in an undamaged condition.



- (2) Security deposits taken from Customers who make non-delinquent payments of undisputed bills for electric service for twelve (12) consecutive months, will be either credited with simple interest as provided above to their utility bills or, if requested, refunded. A deposit need not be returned until undisputed amounts are paid.
  - (3) Interest payments on deposits will be credited to the Customer's bill or refunded at least once a year.
- E. SECURITY DEPOSIT NOT A WAIVER: The fact that a security deposit or guarantee has been made will in no way relieve the Customer from complying with the Cooperative's Rules and Regulations pertaining to payment of bills, nor will 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 3 - BILL PAYMENT**

- A. PAYMENT OF BILL: All bills for electric service are due and payable upon receipt. Normally, bills will be sent by mail; however, the non-receipt of a bill by a Customer will not release or diminish the obligation of the Customer with respect to the full payment thereof, including penalties and interest.
- B. CONTENTS OF BILL:
- (1) The Cooperative will normally bill each Customer each billing period in accordance with its applicable rate schedules. Billings may be issued on a monthly, or other, basis at the sole discretion of the Board of Trustees. Each service bill issued to the Customer will show:
    - (a) The beginning and ending meter registration for the meter reading period, except that estimated billing will 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) The fuel, power or energy cost adjustment in cents per kilowatt hour (¢/kWh) and the total amount of adjustment due, if applicable;
    - (g) 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;
    - (h) The total amount due for the current billing period;
    - (i) The amount due for franchise and sales taxes and research and development surcharges stated separately; and

- (j) The address and telephone number of the Cooperative and the identification of the person or office where a Customer 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 service other charges for special services designated clearly and separately from charges for utility service. Special charges are those not authorized by tariff, including, but not limited to the sale of merchandise, installation of services performed in connection therewith. If the Customer makes a partial payment for the total bill, the Cooperative will credit payment:
    - (a) first to charges such as disconnection/reconnection fees,
    - (b) then to the balance outstanding for utility service beginning with the oldest service debt, and
    - (c) then to special charges as defined above.
  - (3) If the Customer is paying in advance, each bill will 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 Customer's bill will also show any adjustment to previous billings based on estimated usage or Customer meter readings after actual usage has been determined from a meter reading by the Cooperative. The adjustment will 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 Customer will 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 Customer, the Customer will be given either a credit on subsequent bills or a refund, if the overpayment exceeds ten dollars (\$10) and a refund is requested.
- C. METER READING PERIODS: Unless otherwise provided in the Rate Schedules, meters will 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. ESTIMATED USAGE:
- (1) The Cooperative may render a bill, other than a final bill 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 Customers, provided 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 reading;

- (c) When the Cooperative is unable to reasonably obtain access to the Customer's premises for the purpose of reading the meter and efforts to obtain a Customer reading of the meter, such as mailing or leaving pre-addressed forms upon which the Customer may note the readings are unavailing.
  - (2) The Cooperative may render a bill based on estimated usage as a Customer's final or initial bill pursuant to estimating procedures when:
    - (a) The Customer 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 Customer 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 Customer is paying in advance for usage where payments are based upon an estimated of projected average usage.
  - (4) When the Cooperative renders an estimated bill in accordance with this Section it will:
    - (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 adjustments upon subsequent reading of the meter.
  - (5) All adjusted bills and bills covering more than a one month period will be based on increasing the length of the rate blocks according to the number of months involved, i.e., the rate blocks will be doubled for a two (2) month reading, tripled for a three (3) month reading, etc. Adjustments will not be prorated for less than a one (1) month period. Adjusted bills will show the credit due the Customer for amounts paid that were based on the Customer's readings or the Cooperative's estimate and will show the balance due and payable.
  - (6) Fuel, power, or energy cost adjustments covering more than a one (1) month period will be based on the most recent adjustment clause currently in effect.
- E. **CASH PAYMENT:** The Cooperative may require that the Customer make payment of bills by cash, certified checks, or money orders. The Cooperative will give seven (7) days notice to the Customer whenever checks will no longer be accepted for payment of bills.
- F. **RETURNED CHECK CHARGE:** The Cooperative may require a Return Check Charge, as filed in the Service Fees Rate Schedule, from the Customer for Customer checks returned for insufficient funds or any other reason.

G. 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 amount thereof insofar as practical, will be charged on a prorata basis to all Customers receiving electric service from the Cooperative within the boundaries of such taxing sub-division. This tax charge, in all cases, will 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 will be applied to each affected Customer's bill, and the amounts so computed will be added to each Customer's regular billing until such Customer's proportionate share of the total tax is paid. The prorata tax applied to each Customer will be identified on the Customer's billing as such.

H. RESIDENTIAL BUDGET PAYMENT PLAN:

- (1) Availability: The Budget Payment Plan is, by mutual agreement between the Customer and the Cooperative, available to any qualifying Town, Village or Rural Residential Customer.
- (2) Estimated Bills: At the request of any qualifying Customer, the Cooperative will 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, will be the monthly installment.
- (3) Conditions of Budget Payment Plan: The Customer will be entitled to receive electric service under the Budget Payment Plan provided the Customer will agree:
  - (a) To pay each monthly installment on or before the due date thereof;
  - (b) To pay the late payment charge provided in these Rules and Regulations if a bill becomes delinquent;
  - (c) That failure to pay any monthly installment on or before the delinquent date will be cause for termination by the Cooperative of the Budget Payment Plan with respect to Customer, in addition to other remedies permitted by these Rules and Regulations;
  - (d) That the estimate will apply only to the premises when occupied by Customer and that if such premises are vacated during the period covered by said estimate, the Budget Payment Plan with respect to the Customer will immediately terminate;
  - (e) That if the Budget Payment Plan is terminated, any amount or amounts payable by or due to the Customer on account of metered service during the period covered by the plan will be billed or credited to the Customer at once;
  - (f) That until terminated by either party, the Budget Payment Plan will be renewed automatically;

(g) That the Budget Payment Plan may be periodically reviewed by the Cooperative and the monthly installment payment will be revised if it appears at any time on review that the debit or credit balance at the end of the contract period will substantially exceed the estimate; and

(h) That the difference between the accumulated total amount of the Customer's billing determined by metered usage, and the accumulated total of the amounts paid before final month of the contract period will be charged or credited, as the case may be, to the service bill for the final month of such contract period which will be subject to current settlement before the start of the next contract period.

I. DELINQUENT BILLS:

(1) Bills for electric service will 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:

(a) For all Customer's the fifteenth (15<sup>th</sup>) day after the date of billing;

(b) 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.

(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 Customer's bill and collection efforts by the Cooperative shall be initiated.

(3) Arrearage Average Payment Plan: An average payment plan similar to the Cold Weather Rule average payment plan must be one of the options available to Residential Customers with arrears. The Customer shall have up to six (6) months to pay an arrearage with the initial payment being the arrearage plus the bill for consumption during the most recent billing period for which service was provided, divided by six (6). The balance shall be paid in equal installments over the next five (5) months. Customer shall also pay charges for current electric usage in addition to the arrearage payment. Arrearages from a previous Cold Weather Rule plan or arrearage Average Payment Plan must be paid off before entering into this plan. Customers shall be informed of this option. The number of months over which an arrearage may be paid off may be extended at the sole discretion of the Cooperative.

J. DEFAULT: Failure of the Customer to conform to any Rules and Regulations of the Cooperative or to pay any amount due the Cooperative under the Customer's Electric Service Agreement in the full amount due before becoming delinquent will constitute a default by the Customer in his or her Electric Service agreement justifying discontinuance of electric service.

K. COLD WEATHER RULE:

(1) The provisions of the Cold Weather Rule (CWR) establish the disconnection procedure for any Residential Customer of the Cooperative throughout the cold weather period, which extends from November 15 through March 1.

- (2) The Cooperative shall not disconnect a Customer's Residential service between November 15 and March 1 when the local National Weather Service office forecasts the temperature will drop below thirty-two degrees (32° F), hereafter activating temperature, within the following twenty-four (24) hour period unless:
- (a) It is at the Customer's request;
  - (b) The service is abandoned;
  - (c) A dangerous condition exists on the Customer's premises;
  - (d) The Customer violates any rule of the Cooperative which adversely affects the safety of the Customer or other person, or the physical integrity of the Cooperative's delivery system; or
  - (e) The Customer causes or permits unauthorized interference with, or diversion of, or use of meter bypass of electric service situated or delivered on or about the Customer's premises.

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

- (3) Subject to the Cooperatives right to disconnect a Customer's Residential Service pursuant to subparagraphs (a), (b), (c), (d), and (e) of paragraph (2) herein, it shall be the responsibility of the Cooperative during the cold weather period to send one (1) written notice to the Customer pursuant to Section 4 of the Cooperative's Rules and Regulations. Thereafter a Customer may not be disconnected until a twenty-four (24) hour forecast above the activating temperature is predicted by the National Weather Service, provided the Cooperative has at least twenty-four (24) hours prior to any disconnect, notified the Customer at their address or at their meter location or by telephone, that they are to be disconnected pursuant to the Cooperative Cold Weather Rule, which notice shall be similar to the form of a notice attached hereto as "Exhibit A"; notices by telephone may be made using a telephone notification system. The Customer can avoid disconnection by bringing the Customer's electric bill current prior to the scheduled disconnect time.
- (4) It shall also be the responsibility of the Cooperative to provide notice of the Cold Weather Rule once a year in the Cooperative's Centerspread of the Kansas Country Living. The notice for each year shall be in the October issue.

#### **SECTION 4 - 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 Customer;

- (b) When the service is abandoned;
  - (c) Upon ten (10) days written notice, when Customer's bill for electric service or other charges becomes delinquent, as provided in Section 3 K, whether the bill for electric service or other charges based on Customer's meter reading, Cooperative's meter reading or Cooperative's estimate of consumption;
  - (d) Immediately, when an unsafe or dangerous condition exists on the Customer's premises;
  - (e) Upon ten (10) days written notice, when the Customer fails to provide credit information, security deposit or guarantee as set forth in Section 2 A, 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 Customer of record, when Customer is proved to have misrepresented his or her identity for the purpose of obtaining electric service;
  - (g) Upon 48 hours written notice, when Customer refuses to grant Cooperative personnel access, during normal working hours, to equipment installed upon the premises of the Customer for the purpose of inspection, meter reading, maintenance or replacement;
  - (h) Immediately, when the Customer violates any rule of the Cooperative that adversely affects the safety of the Customer or other persons, or the integrity of the Cooperative's delivery system; or
  - (i) Immediately, when Customer causes or permits unauthorized interference with, or diversion or use of (meter bypass), Cooperative's service situated on or about the Customer's premises. However, if the Cooperative has knowledge that persons other than the Customer's family are residing at the premises, the Cooperative will give such persons a two (2) day written or twenty-four (24) hour oral notice prior to the discontinuance.
- (2) None of the following reasons will constitute sufficient cause for the Cooperative to threaten or discontinue electric service or threaten or refuse service:
- (a) The Customer's failure to pay for service received at a concurrent and separate metering point, residence or location if there exists a legitimate, good faith dispute as to the validity of such bill. 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 Customer's written consent, provided, however, that in the event of the failure of the Customer 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 Customer for the same class of service, and may discontinue service at such successive metering point, residence, or location for nonpayment of such transferred balance;
  - (b) The Customer's failure to pay for a different class of service received at the same location if there exists a legitimate, good faith dispute as to the validity of such bill. 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;

(c) The Customer's failure to pay a bill which is in dispute; provided, however, that the Customer pays that portion of the bill not in dispute;

(d) Because an individual who neither signed the Service Agreement on an account in arrears, nor agreed orally at the time service was established to be responsible for it, wants to put the account in his or her name. The only exception to this is when the individual and the Customer of record lived together when the debt was incurred and continue to live together.

(3) In the event of the discontinuance or termination of electric service at 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 Customer's written consent.

#### B. POSTPONEMENT OF DISCONTINUANCE IN SPECIAL CIRCUMSTANCES:

(1) If a Residential Customer notifies the Cooperative in writing and establishes that:

(a) Discontinuance would be especially dangerous to the health of the Customer, resident member of the Customer's family, or other permanent resident of the premises where service is rendered; and

(b) (i) Such Customer is unable to pay for such service in accordance with the requirement of the Cooperative's billing, or (ii) is able to pay for such service only in installment

(c) The Cooperative will either allow payment in reasonable installments or postpone discontinuance of service for up to twenty-one (21) days to enable Customer to make arrangements for reasonable installment payments.

(2) In determining whether discontinuance would be especially dangerous to health, consideration will be given to the weather, and the Customer's or other resident's medical condition, age, or disability, of which the Customer will provide verification.

(3) The Customer may establish that discontinuance of the service would be especially dangerous to the health of the Customer, resident member of the Customer'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 fact and 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 will be forwarded separate from other utility bills, information or advertising, to the account name and address on record at the Cooperative. Service of notice by mail is complete upon mailing. The Cooperative will maintain the record of the date of the mailing and the effective dates of the notice. The notice will be effective for one (1) month after initial date upon which and after which



service can be disconnected. Notice may be given by such other method as may be practical, such as hand-delivery, or facsimile.

- (2) Cooperative shall notify, or attempt to notify, Customers at their address, or at their meter location, or by telephone, at least 24 hours before they are to be disconnected. Notices at the Customer's address or meter location shall be similar to the form of a notice attached hereto as Exhibit 1. Notices by phone may be made using a phone notification system.
- (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 will also post a notice of discontinuance in a common area of the residential building served. Such notice will be posted at least five (5) days prior to the discontinuance date specified therein.
- (4) The notices required by this Section will contain the following information:
  - (a) The name, address, and account number of the Customer;
  - (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 after which service can be discontinued unless the Customer takes appropriate action;
  - (d) A statement that discontinuance may be postponed or avoided if the Customer 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; the availability of an authorized employee during normal office hours; and
  - (e) A statement to apprise the Customer 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 a special danger to health. The availability of an authorized employee during normal office hours at the Cooperative to review disputed bills, rectify errors, and prevent disconnection, will also be included. The telephone number of the Cooperative's office should follow this statement.

#### D. DISCONNECT PROCEDURE:

- (1) Except for discontinuance pursuant to section 4 A (1) (a), (b), (d), (h) and (i) the Cooperative will 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 identified in the notice given are open or available to the Customer 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 will adhere to the following procedure.
- (a) Immediately preceding the discontinuance of service a reasonable effort will be made to:
    - (i.) Contact and identify himself or herself to the Customer 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 of discontinuance, if any; and
    - (vi.) Record statements concerning the medical condition of any permanent resident of the premises, if any.
  - (b) If contact with the Customer is not made, the employee will leave a notice upon the premises in a manner conspicuous to the Customer disclosing the date and time of discontinuance and giving the address and telephone number of the Cooperative or where the Customer may arrange to have service restored.

E. RESTORATION OF SERVICE:

- (1) Upon the Customer's request, the Cooperative will 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 will make every effort to restore service on the restoration day requested, and in any event, restoration will be made no later than the next business day following the day requested by the Customer.

F. REVIEW OF DISPUTES:

- (1) When a Customer 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 will:
  - (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 Customer 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) In the event that a dispute is not resolved to the satisfaction of the Customer, after full investigation, and the Cooperative intends to proceed with discontinuance, the Cooperative will provide written notice to the Customer of their intent to discontinue service and such notice will provide the following:
  - (a) The date that the Cooperative intends to discontinue service, which shall not be less than ten (10) days from the date the written notice is either delivered or mailed to the Customer.
  - (b) That the Customer, will have the opportunity to request a hearing before the Cooperative's Board of Trustees for the purpose of determining whether or not service should be disconnected pursuant to these Rules and Regulations, provided such request for a hearing is made in writing and delivered to the Cooperative by the Customer prior to the date the Cooperative intends to disconnect service.
- (5) Upon receipt of a timely written request for a hearing, the Cooperative will not take any action to disconnect service and will schedule a hearing before the Cooperative's Board of Trustees, which hearing will be held within thirty (30) days of the receipt of the Customer's written request for a hearing and the Customer will be notified in writing of the following:
  - (a) The date, time and place of the hearing.
  - (b) That the Customer will have the right to be represented by counsel, to call witnesses on the Customer's behalf to present evidence to the Cooperative's Board of Trustees at such hearing and to make such arguments as the Customer feels are appropriate for the purpose of determining whether or not service should be discontinued.

At the conclusion of the hearing before the Cooperative's Board of Trustees, the Board of Trustees will either announce their decision at the hearing or mail their written decision to the parties as soon as is reasonably possible. Whether the decision is announced at the hearing or mailed to the parties at a later date, the decision of the Board of Trustees shall be reduced to writing and shall be made a part of the records of the Cooperative. Provided proper notice has been given in accordance with these Rules and Regulations and the facts of the case merit disconnection, the Cooperative may then immediately discontinue the Customer's service, if it is appropriate under these Rules and Regulations.

#### G. COLLECTION, DISCONNECTION, AND RECONNECTION CHARGES

- (1) If collection of an electric service bill is made at the Customer's premises, the Cooperative will require a Collection Charge as filed in the Service Fee Rate Schedule.

- (2) Except when requested by the Customer, if electric service is disconnected for any of the reasons stated in Section 4 A (1) the Cooperative will require a Disconnection Charge as filed in the Service Fees Rate Schedule.
- (3) Upon reconnection of electric service, except when disconnected pursuant to Customer's request, the Cooperative will 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 Customer orders a disconnection and a reconnection of service at the same premises within the contract period, the Cooperative will 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 will 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 5 – CUSTOMER'S SERVICE OBLIGATIONS**

- A. **CUSTOMER TO FURNISH RIGHT-OF-WAY:** The Customer will provide or procure for the Cooperative at the Customer's 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 Customer, 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 CUSTOMER'S PREMISES:** The Customer shall give the duly authorized agents and employees of the Cooperative full and free access to the premises of the Customer for the purpose of constructing, installing, inspecting, adjusting, repairing, maintaining, replacing, or removing any of the Cooperative's facilities on the premises of the Customer, reading meters, or for any purpose incidental to the electric service.
- C. **THERMAL TREATMENT:** In compliance with the state and federal law, standards specified hereunder shall be effective on and after November 1, 1979, for all new service provided for residential dwellings and commercial buildings for which the foundations have not been completed on November 1, 1979. Before connection or attachment of service to a new residential dwelling or new commercial building, the Cooperative may require a certificate from the owner that the structure meets the standards set forth herein. Further, the owner will attach supporting statements from the architect and contractor, if either or both such persons were employed in the design and construction of new residential dwelling or commercial building. Compliance with such certification is required for permanent electric service.
  - (1) A new residential dwelling must be equipped with storm windows and storm doors or other satisfactory window and door thermal treatment. Total heat loss, based on the ASHRAE Handbook of Fundamentals, of a new residential dwelling shall not exceed 35 BTUs per square foot per hour of floor area of heated finished living space at a design temperature differential of 80 degree Fahrenheit with a maximum 1 ½ air changes per hour.

- (2) New commercial buildings must be constructed so heat transmission loss of heated areas, based on the ASHRAE Handbook of Fundamentals, does not exceed 35 BTUs per square foot per hour of floor area based on a design temperature differential of 80 degrees Fahrenheit.
- (3) All installed air conditioning systems, on and after November 1, 1979, shall have an energy efficiency ratio of 8.0 BTUs or more of cooling capacity per watt hours of input or seasonal energy efficiency ratio of not less than 8.0. All heat pump systems, on and after November 1, 1979, shall have an energy efficiency ratio of 7.5 BTUs or more of cooling capacity per watt hours of input.

The method of determining SEER or EER shall be in accordance with the requirement of DOE as found in 42 FR 60150-60157 (November 25, 1977) and as amended by any subsequent regulations of DOE. Determining the compliance of a condensing unit will be its rating when tested in accordance with the Department of Energy procedures with the evaporator coil most commonly sold with the condensing unit.

#### D. CUSTOMER'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 Customer shall be of the type approved by the Cooperative and shall meet the requirements of the National Electric Safety Code and comply with all state and local 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 Customer shall be the sole responsibility of the Customer.
- (3) The Customer agrees to repair and replace when necessary, all wires and appurtenances furnished by the Customer for reception and use of electric service in a safe condition and in compliance with the National Electrical Safety Code and all state and municipal codes insofar as they apply.

#### E. PROTECTION OF CUSTOMER'S EQUIPMENT:

- (1) The Customer shall be responsible for determining whether the Customer'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 Customer's equipment is the full responsibility of the Customer. Any Customer desiring protection against interruptions, phase failures, 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 Customer's installation such protective equipment.

F. DANGEROUS OR DISTURBING USES: The Customer 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 Customers and on the facilities and equipment of the Cooperative. The Cooperative may refuse to supply electric service or may suspend electric service to a Customer,

immediately, without notice under Section 4 A (1), if the Customer'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 Customer or other persons, or the integrity of the Cooperative's delivery system.

- G. INSPECTIONS AND RECOMMENDATIONS: The responsibility of the Customer 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 Customer or as a protection to the electric service supplied by the Cooperative to its other Customers. The Cooperative reserves the right, but assumes no duty, to inspect the Customer's installation and facilities for suspected unsafe conditions.
- H. DEFECTIVE CUSTOMER 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 Customer's premises, Customer shall open the service switch immediately to shut off the flow of electric energy and notify the Cooperative at once.
- I. CONSTRUCTION OR USES AFFECTING COOPERATIVE'S EQUIPMENT: Customer shall consult with the Cooperative before causing or permitting any construction that will affect any of the Cooperative's service facilities or equipment. Customer shall not, without written consent of the Cooperative, enclose any exposed portion of service facilities, use any of the poles, wire, structures, or other facilities of the Cooperative for fastening thereto, support, or any purpose whatsoever, nor shall Customer 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 Customer 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 Customer, or necessitated by the Customer'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 4 A (1).
- J. PROTECTION OF COOPERATIVE'S PROPERTY:
  - (1) The Customer at all times shall protect the property of the Cooperative on the premises of the Customer 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 4 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 Customer, any members of his family, or his agents, servants, or employees, the Customer shall reimburse the Cooperative for the cost of any necessary repairs or replacements of such facilities or the value of such facilities.

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

- (1) The Cooperative may discontinue service to a Customer under Section 4 A (1) and remove its facilities from the Customer's premises, in cases where evidence is found that any portion of the Cooperative's facilities have been tampered with in such manner that the Customer may have received unmetered 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 Customer to pay all bills, including a bill for such amount of electric service as the Cooperative may estimate, from available information, to have been used but not registered by the Cooperative's meter or otherwise fraudulently used, and to increase the amount of his cash security deposit or surety bond, or other credit arrangement, and pay for all damages to Cooperative owned equipment, if any, before electric service is restored. In addition, before service is restored, the Customer 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 Customer.

L. INDEMNITY TO COOPERATIVE:

- (1) The Customer 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 manner directly or indirectly connected with, or growing out of the distribution or use of electric service by the Customer at or on the Customer's side of the point of delivery.
- (2) The Customer 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 Customer, unless the injury to persons or damage to property has been caused by willful default or negligence on the part of the Cooperative.

M. PARALLEL OPERATION: No Customer 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 4 A (1).

N. CHARGES FOR WORK COMPLETED ON CUSTOMER'S PREMISES: The Cooperative shall charge for all materials furnished and for all work done on Customer'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 Customer. The charges shall be based upon Cooperative's existing schedule for such work. The Cooperative will not charge for replacement or repair of equipment furnished and owned by the Cooperative on Customer's premises except when repairs or replacement are caused by negligence or misuse by Customer or Customer's agents.

## SECTION 6 – 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 Customer’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 Customer’s entrance wires. The pole and the meter equipment thereon shall be furnished in accordance with the Cooperative’s procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by the Cooperative. All service entrance wires and appurtenances thereto beyond this point shall be supplied and maintained by the Customer.
- (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 Customer’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 Customer’s service entrance wires. Metering equipment attached to the building shall be furnished in accordance with the Cooperative’s procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances, by the Cooperative. All service wires and appurtenances thereto beyond this point shall be supplied and maintained by the Customer.

### B. UNDERGROUND SERVICE INSTALLATION:

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

- 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 4 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 Customer'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 Customer will be the Cooperative's meter on Customer's premises, unless otherwise defined by the Customer'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 Customer'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 Customer's point of delivery, and one meter installation to measure such electric service to the Customer for each class of service.
- (5) The Cooperative shall not be obligated to supply electric service to a Customer for a portion of the electrical requirements on the premises of the Customer, except pursuant to a special Electric Service Agreement as required in Section 5 M.

E. PROPERTY OF THE COOPERATIVE: All facilities furnished and installed by the Cooperative on the premises of the Customer for the supply of electric service to the Customer shall be and remain the exclusive property of the Cooperative. All facilities on the premises of the Customer 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 Customer's Electric Service Agreement or upon discontinuance by the Cooperative of electric service to the Customer 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 interruption. In no event shall the Cooperative be liable for damages from irregularities or interruptions of service, caused by, but not limited to, failure of facilities, breakdowns or injury to equipment, extraordinary repairs, an act of God, public enemy, accidents, labor disturbance, strikes or their equivalent, sabotage, legal process, federal, state or municipal interferences and restraint by public authority, any emergency, or any cause beyond the Cooperative's control.

G. CURTAILMENT, INTERRUPTION, OR SUSPENSION OF SERVICE: The Cooperative shall have the right to curtail (including voltage reduction), interrupt, or suspend electric service to the Customer 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 necessary 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 Customer, and shall not otherwise be liable for any damage occasioned by any curtailment, irregularity, interruption, or suspension of electric service. The Customer 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 Customer, civil, military, or governmental authority, or any cause beyond the control of the Cooperative.

**SECTION 7 – LINE EXTENSION POLICY**

A. ESTIMATING LINE EXTENSION COSTS:

- (1) ROLLING AVERAGE COSTS: The rolling average cost used to estimate the cost of line extension shall be the most recent thirty (30) months actual line extension costs experienced by the Cooperative. The number of months used to calculate the rolling average costs may from time to time be altered or amended by the board of Trustees. The average cost in effect at the time the Electric Service Agreement is signed by the Customer shall be the basis for the amount charged to the Customer for the construction costs.
- (2) CURRENT COST: The Cooperative may use current prices for material, labor and overheads to arrive at an estimate when these prices are available. The Current cost in effect at the time the Electric Service Agreement is signed by the Customer shall be the basis for the amount charged to the Customer for the construction costs.

- B. SINGLE PHASE LINE AND SERVICE: The Cooperative will build for residential and public buildings the first one-eighth (1/8) mile and the last one-eighth (1/8) mile of single phase line for the Customer under the established Rate Schedule. For non-residential, small irrigation and small commercial services the Cooperative will build the first three hundred feet (300') of single phase line or service line per Customer under the established Rate Schedule. If the line extension exceeds one-quarter (1/4) mile for residential and public building services, and/or exceeds three hundred feet (300') for non-residential, small irrigation, and small commercial the Customer shall pay the Cooperative for increased cost. The Customer will be charged a monthly amount equivalent to the rolling average cost or current cost incurred, less the Cooperative's allowance, divided by thirty-six, sixty, or eighty-four (36, 60, or 84) and such monthly amount shall be payable in thirty-six, sixty, or eighty-four (36, 60, or 84) equal monthly payments; if the Customer elects to pay up front for the rolling average cost or current

cost incurred to provide that particular type of service, the Customer shall pay 87.5% of said amount at the time service is made available.

- C. **MULTIPHASE LINE AND SERVICE:** Whenever the Cooperative extends a multiphase line or converts an existing line to furnish multiphase service under the established Rate Schedules, the Customer will be charged a monthly amount equivalent to the rolling average cost or current costs incurred to provide that particular type of service divided by thirty-six, sixty, or eighty-four (36, 60, or 84) and such monthly amount shall be payable in thirty-six, sixty, or eighty-four (36, 60, or 84) equal monthly payments; if the Customer elects to pay up front for the rolling average cost or current cost incurred to provide that particular type of service, the Customer shall pay 87.5% of said amount at the time service is made available.
- D. **CONTRACT TERM:** As evidence that the Customer accepts service under the terms of this extension policy, the Customer will be required to sign an Electric Service Agreement; the Electric Service Agreement among other things will guarantee that the Customer will pay the monthly Customer Charges for a period agreed upon. If the customer elects to pay the entire estimated cost with NO construction allowance provided by the Cooperative then the Customer may have the service disconnected at any time he wishes as long as he is in good standing with the Cooperative. After the initial contract period, the monthly minimum or monthly Customer Charge will not exceed the amount set forth in the appropriate Rate Schedule.
- E. **SPECIAL CONTRACTS FOR SERVICE:**
- (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 business is not sufficient under the above stated monthly Customer Charge to warrant the investment, the Cooperative may require any one or more of the following of the Customer before construction of equipment or facilities to supply service:
- (a) An adequate monthly Customer Charge calculated upon reasonable considerations,
- (b) A cash contribution in advance,
- (c) An acceptable guaranty or bond.
- (2) In such cases, the Customer shall enter into a written contract with the Cooperative as to character, amount, and duration of the business offered. No interest shall accrue or be payable on any cash contribution required by the Cooperative.
- F. **PRORATION OF MINIMUM MONTHLY CHARGE:** The remaining monthly Customer Charges determined in accordance with paragraphs B and C of this Section will be prorated on an equal basis between all Customers that are initially or subsequently served by the line extension within the contract period.
- G. **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 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 are built, occupied and connected to the distribution system during the succeeding five (5) years.

## **SECTION 8 – METERING**

- A. **METERING OF SERVICE:** 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 Cooperative's Rate Schedules provide for separate metering of different classes of service, Customer'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 Customer.
- C. **MULTI-METERING INSTALLATIONS:**
  - (1) The Cooperative will eliminate, on a prospective basis, the practice of providing electric service to more than one Customer 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 Customers. Customer's wiring shall be so arranged as to permit the installation of 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 Customers 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:** Cooperative will, at its expense, make all changes in Cooperative's installed meter loops, meter receptacles, meters, and related appurtenances on Customer's premises that are required to meet the Customer's increased demand for electric service.
  - (1) Changes requested by the Cooperative that involve the replacement or relocation of Cooperative's service wires, metering equipment, yard poles, etc., and in the Customer's entrance wires, entrance switches, etc., shall be provided at the Cooperative's expense.
  - (2) Changes requested by the Customer that involve the replacement or relocation of Cooperative's service wires, metering equipment, yard poles, guys and anchors, etc., shall be provided at the Customer's expense.
- E. **METER SEALS:** Seals will be placed on all meters or meter enclosures by Cooperative and such seals shall not be broken or disturbed by anyone other than authorized representatives of the Cooperative.

F. METER ACCURACY AND TESTING:

- (1) The accuracy and testing of Cooperative's meters shall be in accordance with these Rules and regulations.
- (2) Whenever any test by the Cooperative of a watt-hour meter, while in service or on its removal from service, shall show such meter to have an average error of more than two percent (2%) fast or two percent (2%) slow, the following provisions for the adjustment of the electric service bill shall be observed:
  - (a) The error found shall be considered for the purpose of these rules to have existed for not more than six (6) months preceding the test or for the time the meter has been in service at the location if less than six (6) months, or from the actual time the meter became damaged if such time can be positively determined and is less than six 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 Customer 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 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 Customer 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 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 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 test by the Cooperative of a demand meter while in service or on its removal from service, shows such meter to be more than two percent (2%) in error, the provisions covering the adjustment of charges in the case of service watt-hour meters shall be observed insofar as they are applicable. If the demand meter depends upon actuations from the watt-hour meter or its readings, the average error of the demand meter shall be determined from the heavy load accuracy of the watt-hour meter in conjunction with the accuracy of the demand meter itself.

- H. SPECIAL METER TESTS: In the event a Customer requests the Cooperative to test a meter, the Customer 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 Customer.

## **SECTION 9 – GENERAL CLAUSES**

- A. WAIVER: Waiver by the Cooperative with respect to any default by a Customer 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 Customer.
- B. LEGAL NOTICES BETWEEN CUSTOMER 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. If oral orders are taken in person or over a telephone by an agent of the Cooperative, it is done for the convenience of the Customer and at the Customer's risk. The Cooperative is not responsible for error, delay, or expense resulting from such procedure, but the Cooperative shall exercise reasonable diligence in carrying out telephone communications from the Customer.
- 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 upon written request by the Customer and a showing that compliance with the requirement would serve the interests of neither the Cooperative nor the Customer. No representative, agent, or employee of the Cooperative shall otherwise have the authority to amend, modify, alter, or waive any of Cooperative's Rules and Regulations or bind the Cooperative by promises or representations.
- D. REQUEST FOR INVESTIGATION OR COMPLAINT: If Customer 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. An investigation of the complaint will be made by the Board of Trustees or its authorized representative. The Board will then schedule a hearing at which the Customer may appear either in person or through counsel to explain the nature of the Customer's complaint to the Board of Trustees. The Board of Trustees will then consider what, if any, action should be taken on the Customer's complaint.

## **SECTION 10 – MISCELLANEOUS**

- A. EMERGENCY STANDBY GENERATORS:
- (1) Customers 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 Customer to separate the facilities of the Customer from those of the Cooperative when such equipment is in use.

**SECTION 11 – SERVICE FEES SCHEDULE:**

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

|                                  |   |
|----------------------------------|---|
| (1) Temporary Service            | \$25.00;  |
| (2) Returned Check Fee           | A charge not less than \$25.00 or the maximum provided by K.S.A. 21-37-7, whichever is greater; |
| (3) Collection Fee               | \$20.00;  |
| (4) Disconnection Fee            | \$20.00;  |
| (5) Reconnection Fee             | \$20.00;  |
| (6) Meter Test Fee               | \$10.00;  |
| (7) Trip Fee                     | \$30.00;  |
| (8) Transfer Fee                 | \$15.00;  |
| (9) After Hours Reconnection Fee | \$190.00.   |

# FINAL DISCONNECT NOTICE



CMS Electric Cooperative, Inc.  
P. O. Box 790  
Meade, KS 67864

| ACCOUNT NUMBER | AMOUNT DUE |
|----------------|------------|
| 101706         | \$174.50   |

Customer Telephone: (6999 999-9999)

CHRISTOPHER L. JONES  
5600 N COUNTRY RD 2100E  
ANYTOWN, USA 79635

**Our records indicate the electric service for this account is subject to disconnection pursuant To the Cooperative's "Cold Weather Rule" on or after \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_. The twenty four (24) hour National Weather Service is predicting temperatures above 32 degrees, after the above date.**

**You must contact CMS at 1-800-794-2353 or 620-873-2184,  
Within 24 hours to avoid disconnection**

|                       |                   |                             |               |
|-----------------------|-------------------|-----------------------------|---------------|
| <b>Billing Date</b>   | <b>03/22/2006</b> | <b>Bill Past Due Amount</b> | <b>115.96</b> |
| <b>Date of Notice</b> | <b>04/18/2006</b> | <b>Collection Fee</b>       | <b>20.00</b>  |
| <b>Total Due</b>      |                   |                             | <b>135.96</b> |

**There will be a \$40.00 charge for reconnection during normal working hours if electric service is disconnected.**

**Requests for reconnection received after 4:30 PM will be scheduled the next working day. Should a reconnect be requested after 4:30 PM, an additional \$190.00 will be charged.**

Please detach and return bottom portion with payment

# FINAL DISCONNECT NOTICE

| ACCOUNT NUMBER | SRV MAP LOC    | METER NUMBER |
|----------------|----------------|--------------|
| 101706         | 104-NW33-34-34 | 1743         |

**Bill Past Due Amt \$115.96**  
**Collection Fee 20.00**

**Total Due 135.96**

CHRISTOPHER L. JONES  
5600 N COUNTRY RD  
2100EANYTOWN, USA

Date \_\_\_\_\_  
BY \_\_\_\_\_



# FINAL DISCONNECT NOTICE



CMS Electric Cooperative, Inc.  
P. O. Box 790  
Meade, KS 67864

| ACCOUNT NUMBER | AMOUNT DUE |
|----------------|------------|
|                |            |

Customer Telephone:

**Our records indicate the electric service for this account is subject to disconnection tomorrow, for lack of payment, signed service agreement and/or security deposit.**

You must contact CMS at 1-800-794-2353 or 620-873-2184,  
Within 24 hours to avoid disconnection.

**Billing Date**  
**Date of Notice**

**Bill Past Due Amount**  
**Collection Fee**

**Total Due**

**There will be a \$40.00 charge for reconnection during normal working hours if electric service is disconnected.**

**Requests for reconnection received after 4:30 PM will be scheduled the next working day. Should a reconnect be requested after 4:30 PM, an additional \$190.00 will be charged.**

Please detach and return bottom portion with payment

# FINAL DISCONNECT NOTICE

| ACCOUNT NUMBER | SRV MAP LOC | METER NUMBER |
|----------------|-------------|--------------|
|                |             |              |

**Bill Past Due**  
**Collection Fee**                      **20.00**

**Total Due**

**Date** \_\_\_\_\_

**BY** \_\_\_\_\_

## Phone Message for Delinquents

Hello,

This is CMS Electric's phone notification system. According to our records, we have not received payment for your electric bill.

Please have payment in our office by \_\_\_\_\_ or your meter will be subject to disconnection.

There will be a \$40.00 charge for reconnection during normal working hours if electric service is disconnected.

Requests for reconnection received after 4:30 pm, will be scheduled the next working day. Should a reconnect be requested after 4:30 pm, an additional \$190.00 will be charged.

If you need additional information, please call the office at 1-800-794-2353 during business hours, which are 8:00 am to 4:30 pm, Monday thru Friday. This is a recording.