

**HEARTLAND RURAL ELECTRIC COOPERATIVE, INC.
RULES AND REGULATIONS**

ENTIRE TERRITORY

These Rules and Regulations are part of the Electric Service Agreement between the Cooperative and the Customer. 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 Rules and Regulations shall prevail. Copies of these Rules and Regulations may be reviewed or obtained by any Customer at the Cooperative's principal place of business.

Effective Date: _____

By: _____

Title: _____

SECTION 1 - DEFINITIONS:	1
SECTION 2 - APPLICATION FOR SERVICE AND AGREEMENTS:	1
A. <i>APPLICATION BY CUSTOMER:</i>	1
B. <i>ADDITIONAL PROVISIONS:</i>	1
C. <i>RATES:</i>	2
D. <i>TERM OF CONTRACT:</i>	2
E. <i>TEMPORARY SERVICE:</i>	2
F. <i>CHANGE IN OCCUPANCY:</i>	2
G. <i>RE-SELLING OR REDISTRIBUTING OF SERVICE:</i>	3
SECTION 3 - CREDIT AND SECURITY DEPOSIT REGULATIONS:	3
A. <i>ESTABLISHMENT AND MAINTENANCE OF CREDIT:</i>	3
B. <i>CALCULATION AND PAYMENT OF SECURITY DEPOSIT OR GUARANTY:</i>	3
C. <i>SECURITY DEPOSIT RECEIPTS:</i>	4
D. <i>REFUND OF SECURITY DEPOSIT:</i>	5
E. <i>SECURITY DEPOSIT NOT A WAIVER:</i>	5
SECTION 4 - BILL PAYMENT:	5
A. <i>PAYMENT OF BILLS:</i>	5
B. <i>CONTENTS OF BILL:</i>	5
C. <i>METER READING PERIODS:</i>	6
D. <i>CUSTOMER METER READINGS:</i>	6
E. <i>METER READING FEE:</i>	6
F. <i>ESTIMATED USAGE:</i>	6
G. <i>CASH PAYMENT:</i>	7
H. <i>RETURNED CHECK CHARGE:</i>	7
I. <i>TAX ADJUSTMENT:</i>	7
J. <i>RESIDENTIAL BUDGET PAYMENT PLAN:</i>	8
K. <i>DELINQUENT BILLS:</i>	8
L. <i>DEFAULT:</i>	9
SECTION 5 - DISCONTINUANCE OF SERVICE:	9
A. <i>COOPERATIVE'S REFUSAL OR DISCONTINUANCE OF SERVICE:</i>	9
B. <i>POSTPONEMENT OF DISCONTINUANCE IN SPECIAL CIRCUMSTANCES:</i>	10
C. <i>NOTICE REQUIREMENTS:</i>	10
D. <i>DISCONNECT PROCEDURE:</i>	11
E. <i>COLD WEATHER RULE:</i>	11
F. <i>RESTORATION OF SERVICE:</i>	13
G. <i>REVIEW OF DISPUTES:</i>	13

H.	COLLECTION, DISCONNECTION, AND RECONNECTION CHARGES:.....	13
SECTION 6 - CUSTOMER'S SERVICE OBLIGATIONS:		14
A.	CUSTOMER TO FURNISH RIGHT-OF-WAY:	14
B.	ACCESS TO CUSTOMER'S PREMISES:	14
C.	CUSTOMER'S INSTALLATION:	14
D.	PROTECTION OF CUSTOMER'S EQUIPMENT:	14
E.	DANGEROUS OR DISTURBING USES.....	15
F.	INSPECTIONS AND RECOMMENDATIONS:	15
G.	DEFECTIVE CUSTOMER EQUIPMENT:	15
H.	CONSTRUCTION OR USES AFFECTING COOPERATIVE'S EQUIPMENT:	15
I.	PROTECTION OF COOPERATIVE'S PROPERTY:	15
J.	TAMPERING OR FRAUDULENT USE OF COOPERATIVE'S FACILITIES:	16
K.	INDEMNITY TO COOPERATIVE:.....	16
L.	PARALLEL OPERATION:.....	16
M.	CHARGES FOR WORK COMPLETED ON CUSTOMER'S PREMISES:.....	17
SECTION 7 - COOPERATIVE'S SERVICE OBLIGATIONS:		17
A.	OVERHEAD SERVICE INSTALLATION:	17
B.	UNDERGROUND SERVICE INSTALLATION:	17
C.	ENERGIZING BY COOPERATIVE ONLY:	17
D.	DELIVERY OF ELECTRIC SERVICE:.....	17
E.	PROPERTY OF THE COOPERATIVE:.....	18
F.	CONTINUITY OF SERVICE:	18
G.	CURTAILMENT, INTERRUPTION OR SUSPENSION OF SERVICE:	18
H.	RESTORATION OF SERVICE:	18
I.	LIABILITY OF COOPERATIVE:.....	19
SECTION 8 - LINE EXTENSION POLICY:		19
SECTION 9 - METERING:		19
A.	METERING OF SERVICE:.....	19
B.	SEPARATE METERING:.....	19
C.	MULTI-METERING INSTALLATIONS:	19
D.	CHANGES IN METER INSTALLATIONS:	20
E.	METER SEALS:	20
F.	METER ACCURACY AND TESTING:.....	20
G.	DEMAND METERS:	20
H.	SPECIAL METER TESTS:	21

SECTION 10 - GENERAL CLAUSES:21

A. *WAIVER:21*

B. *LEGAL NOTICES BETWEEN CUSTOMER AND COOPERATIVE:21*

C. *AUTHORITY AND WAIVER:.....21*

D. *REQUEST FOR INVESTIGATION OR COMPLAINT:21*

SECTION 1 - DEFINITIONS:

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

- A. Cooperative: Heartland Rural Electric Cooperative, Inc., 120 North Ozark, PO Box 40, Girard, Kansas, 66743, telephone 316-724-8251, which furnishes electric service under these Rules and Regulations.
- B. Customer: Any person, partnership, association, firm, public or private corporation, or governmental agency applying for or using electric service supplied by the Cooperative.
- C. Residential Customer: A customer applying for or using electric service at a home or farm service location occupied as a place of residence.
- D. Application and Contract for Membership and Electric Service: The application and contract pursuant to which the Cooperative supplies electric service to the Customer.
- E. Multiple Residential Complex: Includes newly constructed mobile home courts and apartment buildings, as well as, renovated mobile home courts and apartment buildings where there exists two or more living facilities to be occupied as places of residence.

SECTION 2 - APPLICATION FOR SERVICE AND AGREEMENTS:

- A. APPLICATION BY CUSTOMER:
Application for electric service will be made in writing by Customer to Cooperative on the Cooperative's standard Application and Contract for Membership and Electric Service form, although the Customer may at the discretion of the Cooperative be connected based on an oral request provided the written contract is signed within ten days thereafter. 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 Application and Contract for Membership and Electric Service 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 Directors, 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 an 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 Customer.
 - (2) The Customer 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 or classes 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 as 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 schedules, it shall be the sole responsibility of Customer to determine the rate schedule under which the Customer will receive service. In the event that 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 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 year commencing on the date that service is made available to the Customer. When justified by the particular service requirements, the Cooperative may require a contract period in excess of one 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 Charge: 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 the actual cost to the Cooperative, whichever is the 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 days prior to the date of change. 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 such 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 under 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 5.A.(1)(h).

SECTION 3 - 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 Cooperative may request positive identification (identified as photo with name) from Residential Customers. If positive identification is not immediately available, a Customer providing a full deposit should have at least thirty 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 an unsatisfactory credit rating, or has an insufficient prior credit history upon which a credit rating may be based.
 - (b) The Customer has outstanding, with a utility, an undisputed and unpaid service account.
 - (c) The Customer has tampered with Cooperative facilities or any utility facilities as defined in Section 6.J.
- (3) The Cooperative may at any time after application for service, upon five days written notice, require a deposit to guarantee payment of bills for utility service rendered if:
 - (a) The Cooperative determines that the Customer has outstanding, with the Cooperative, an undisputed and unpaid service account.
 - (b) The Cooperative determines that the Customer has tampered with Cooperative facilities as defined in Section 6.J.
 - (c) The Customer fails to pay an undisputed bill before the delinquency date for two consecutive billing periods, one of which is at least 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: In lieu of requiring a security deposit, the Cooperative may accept the written guarantee of any of its Residential Customers with no deposit on file as surety for a Customer's Electric Service Agreement. The guaranty shall be in the amount of the required security deposit for the account and the Guarantor shall be held liable for that amount. The Cooperative may transfer the Customer's debt to the Guarantor's account and the Guarantor's account can be disconnected for nonpayment under conditions set out in Section 5. 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 proper charges for electric service as outlined in Section 3.D. or upon termination of service and payment of bills.

B. CALCULATION AND PAYMENT OF SECURITY DEPOSIT OR GUARANTY:

- (1) For Residential and Small Commercial Customers, the amount of the cash security deposit or guaranty required will not exceed the amount of that Customer's projected average of two months bills. If the Cooperative is utilizing turn-around billing for the Customer, the

- cash deposit or surety bond will not exceed three months' average bills. If the Customer has tampered with Cooperative facilities as defined in Section 6.J., an additional deposit based on one months' average use may be assessed.
- (2) For other than Residential or Small Commercial Customers, the cash deposit or guaranty will not exceed the amount of that Customer's projected largest two months' bills if the customer is not on turn-around billing, or largest three months' bills if the customer is on turn-around billing. If the Customer has tampered with Cooperative facilities as defined in Section 6.J., an additional deposit based on one months' largest usage may be assessed. The security deposit of Customers other than Residential or Small Commercial Customers will be payable in full upon notice as provided in Section 3.A.
 - (3) For purposes 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 guaranty may be adjusted if the character or volume of the Customer's service should change.
 - (4) Security deposits 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 5.A.(1)(e) of these Rules and Regulations.
 - (5) For purposes of this section, a Small Commercial Customer is one which uses no more than 4,000 kWh of electricity in an average month.

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 address of the premises for which the security deposit is maintained, the date and the amount of deposit, and the date and amount of interest paid.
- (2) When the Cooperative accepts a security deposit, a nonassignable receipt will be issued to the Customer containing the following minimum information:
 - (a) Name of Customer;
 - (b) Place of deposit;
 - (c) Date of deposit;
 - (d) Amount of deposit;
 - (e) Cooperative name and address, signature and title of the Cooperative employee receiving the deposit.

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 including simple interest at a rate not less than that provided by K.S.A. 12-822 and amendments thereto, less any unpaid bills, provided that the Customer has paid all bills due the Cooperative and has allowed the Cooperative to remove its meters and equipment in an undamaged condition.
- (2) Security deposits taken from Residential Customers who make non-delinquent payments of undisputed bills for electric service for the last 12 months will be credited, with simple interest as provided above, to their utility bills or, if requested, refunded. Non-residential deposits under \$500 will be returned in the same manner after 36 months of on-time payment, and, only if the last 12 consecutive payments are made on-time. Non-residential deposits of \$500 or more may be retained until termination of service or returned in the same manner as above. A deposit need not be returned until all undisputed amounts are paid.
- (3) Interest payments on all 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 4 - BILL PAYMENT:

A. PAYMENT OF BILLS:

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, self-billing, turn-around, or other basis at the sole discretion of the Board of Directors. Each service bill issued to a Customer will show:
 - (a) The beginning and ending meter registration for the reading period, except that estimated billings 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 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 Directors;
 - (g) The total amount due for the current billing period;

- (h) The amount due for franchise and sales taxes and research and development surcharges stated separately; and
 - (i) 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 services other charges for special services designated clearly and separately from charges for utility service. Special charges are those not authorized by tariff, such as the sale of merchandise or 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;
 - (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 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. CUSTOMER METER READINGS:

- (1) The Cooperative may request Customers to read their meters at intervals approximating the billing period. Requests for readings by the Customer will be on printed forms provided by the Cooperative which contain instructions as to the methods of reading.
- (2) Meter readings by the Customer, though used for billing purposes, will not be considered final. Such Customers' meters will be read at least once a year by the Cooperative and an adjustment will be made in accordance with these Rules and Regulations.

E. METER READING FEE:

In the event the Customer does not furnish a required meter reading for two consecutive billing periods, the Cooperative may read the meter and charge the Customer a Meter Reading Fee as filed in the Service Fees Rate Schedule.

F. ESTIMATED USAGE:

- (1) The Cooperative may render a bill, other than a final bill when service is discontinued or an initial bill, based on estimated usage pursuant to estimating procedures 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 readings;
 - (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; or
 - (d) When the Customer does not furnish a timely meter reading as requested by the Cooperative.
- (2) The Cooperative may render a bill based on estimated usage as a 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 or 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 adjustment 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 month reading, tripled for a three month reading, etc. Adjustments will not be prorated for less than a one 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.

G. 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 days notice to the Customer whenever checks will no longer be accepted for payment of bills.

H. RETURNED CHECK CHARGE:

The Cooperative may require a Returned Check Charge, as filed in the Service Fees Rate Schedule, from the Customer for Customer checks 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, 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 applicable to each Customer will be identified on the Customer's billing as such.

J. RESIDENTIAL BUDGET PAYMENT PLAN:

- (1) Availability: The Budget Payment Plan is, by mutual agreement between the Customer and the Cooperative, available to any qualifying 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 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 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 then occupied by Customer and that if such premises are vacated during the period covered by said estimate, the Budget Payment Plan with respect to Customer will immediately terminate;
 - (e) That if the Budget Payment Plan is terminated, any amount or amounts payable by or due to Customer on account of the metered service during the period covered by the plan will be billed or credited to 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 billings determined by metered usage, and the accumulated total of the amounts paid before the 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.

K. 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:

- (a) For Residential Customers, the last date on which payments received can, in the normal and reasonable course of the Cooperative's procedures, be credited to the Customer's account in preparing his or her next normal billing.
 - (b) For all other Customers, the fifteenth day after the date of billing.
 - (c) If a Commercial Customer is consistently unable to pay its bills on time due to bill-paying procedures, the utility will offer to mail a copy of the bills to the Customer's bill-paying office at the same time it is delivered to the local business. If the Customer chooses, the utility will offer the customer the option of paying a two percent late fee every month for a time extension of 14 days. The Cooperative may discontinue this option for the Customer after the Customer requests it or the Customer fails to pay the bill within the 29 days established by this provision.
- (2) When a bill becomes delinquent, a late payment charge in an amount equal to five percent of the delinquent amount owed for current electric service will be added to the Customer's bill and collection efforts by the Cooperative will be initiated.
 - (3) If the last calendar day for remittance falls on a day when the Cooperative's office is not open to the general public, the final payment date will be extended through the next business day.

L. DEFAULT:

Failure of the Customer to conform to these Rules and Regulations 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.

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 Customer;
 - (b) When the service is abandoned;
 - (c) Upon ten days written notice, when Customer's bill for electric service or other charges becomes delinquent, as provided in Section 4.K., whether the bill is based on Customer's meter reading, Cooperative's meter reading, Cooperative's estimate of consumption, other charges for special services, or the transfer of any unpaid account of the Customer;
 - (d) Immediately, when an unsafe or dangerous condition exists on the Customer's premises;
 - (e) Upon ten days written notice, when the Customer fails to provide credit information, security deposit or guarantee as set forth in Section 3.A., or has a previous undisputed and unpaid separate account for electric service with the Cooperative;
 - (f) Upon the quicker of ten 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 tampering as defined in Section 6.J.
 - (j) Immediately, when Customer causes, permits to be caused, encourages, allows, or tolerates violence directed against the Cooperative or its employees, including but not limited to, verbal harassment or threats, assault, battery, vandalism and property damage.
- (2) 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 of the Customer.

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:
 - (i) Such Customer is unable to pay for such service in accordance with the requirements of the Cooperative's billing, or
 - (ii) is able to pay for such service only in installments;the Cooperative may either allow payment in reasonable installments or postpone discontinuance of service for at least seven 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 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 forwarding or presenting it to the Cooperative office prior to the date of disconnection.

C. NOTICE REQUIREMENTS:

- (1) When notice of discontinuance of service is required it will be forwarded separate from other utility bills, information or advertising, to the account name and address and in the case of residential occupancy, to the address where service is provided, if different; provided however, that the service location has a mailing address which is provided to the Cooperative by the Residential Customer. Service of notice by mail is complete upon mailing. The Cooperative will maintain the record of the date of mailing and the effective dates of the notice. The notice will be effective for one 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) The Cooperative will notify, or attempt to notify, customers by telephone at least two days before they are to be disconnected. This notice, which may be delivered by an automatic calling machine, will contain the following information:
- (a) a statement that the account is past due;
 - (b) the date payment must be received to avoid disconnection;

- (c) the name and phone number of the office that can be contacted for arrangement or special consideration.
- (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 days prior to the discontinuance date specified therein.
- (4) The notices required by 1. and 3. above will contain the following information:
 - (a) The name and address of the Customer, 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 after which service can be discontinued unless the Customer takes appropriate action;
 - (d) Terms under which the Customer may avoid discontinuance;
 - (e) 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 or disconnection of electric service would be especially dangerous to health and the phone number of the office empowered to review such claims.

D. DISCONNECT PROCEDURE:

- (1) Except for discontinuance pursuant to Section 5 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, and;
 - (iii) Accept payment of all amounts tendered which are necessary to avert disconnection;
 - (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. COLD WEATHER RULE:

- (1) The provisions of the Cold Weather Rule establish the disconnection procedures for delinquent accounts of any Residential Customer of the Cooperative throughout the cold weather period, which extends from November 1 through March 31.

- (2) The Cooperative will not initiate the disconnection process for a Residential Customer's service between November 1 and March 31 when the local National Weather Service office forecasts the temperature to drop below 35 degrees (the activating temperature) within the following 48 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 persons, or the physical integrity of the Cooperative's delivery system; or
 - (e) The Customer causes or permits tampering as defined in Section 6.J.In any of these situations, the Cooperative may disconnect the service immediately. Services disconnected under (c), (d) or (e) above may be restored as soon as possible after the physical problems as defined in (c), (d) and (e) above have been corrected.
- (3) To avoid disconnection during the cold weather period and qualify for the benefits of the Cold Weather Rule the Customer must meet the requirements of the Good Faith Test. To meet the requirements of the Good Faith Test, the Customer will:
 - (a) Inform the Cooperative of the Customer'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 the most recent bill for consumption plus one-third of the arrearage;
 - (d) Enter a level payment plan agreement for past, current and future charges for electric service with arrears paid in equal installments over the next two months. The Customer and the Cooperative may negotiate other payment arrangements mutually agreeable, individualized to the Customer's situation providing the most appropriate terms, after the Customer has been informed that he or she has at least two months in which to pay;
 - (e) Apply for federal, state, local or other funds for which the Customer is eligible;
 - (f) Not obtain electric service by tampering as defined in Section 6. J.; and
 - (g) Not default on a payment plan.
- (4) When a local National Weather Service forecasts the temperature to be above the activating temperature for the next 48 hours, the Cooperative will fulfill the procedures outlined in this Section 5, (with the exception of C.2., which is replaced with the more stringent requirement of (a) below), and:
 - (a) On the day prior to disconnection, make at least one telephone call attempt with the Customer of record or make one attempt at a personal contact with the Customer of record if telephone contact on that day is not made. If the Customer is not contacted during the phone call(s) or the personal contact the day prior to termination of service, the Cooperative employee will leave a disconnect message on the door on the day prior to disconnect;
 - (b) On the day of disconnection, receive a 24-hour forecast above the activating temperature from the National Weather Service. If the temperature is then forecast to be below the activating temperature, the disconnection may not be carried out and the Cooperative must wait for another 48-hour forecast above the activating temperature to initiate the disconnection procedures;
 - (c) Inform the Customer in the telephone contact(s), the written notice, the personal contact and the disconnect message on the door, of the existence of the Cold Weather Rule and that the Customer can avoid disconnection by bringing the Customer's electric bill current;

- (d) Inform the Customer of, or provide a list of, organizations where funds are available to pay electric bills.

F. 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.

G. 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 notify the Customer of the date, place, and time at which a hearing will be conducted by the Cooperative for the purpose of determining whether or not service should be disconnected pursuant to these rules and regulations. The Customer shall also be notified of the Customer's right to be represented by counsel, to call witnesses on the Customer's behalf, to present evidence to the presiding agent 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. The decision of the presiding officer at such hearing shall be announced at the hearing or mailed to the parties at a later date. Whether the decision is announced at the hearing or mailed to the parties at a later date, the decision of the hearing officer 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 discontinue the service, if it is appropriate under these Rules and Regulations.

H. 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 5 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 Application and Contract for Membership and Electric Service, 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 6 - CUSTOMER'S SERVICE OBLIGATIONS:

A. CUSTOMER TO FURNISH RIGHT-OF-WAY:

The Customer will provide or procure for the Cooperative at his expense such rights-of-way (including permission to trim or remove any trees that may interfere with the operation of the Cooperative's facilities) as are satisfactory to the Cooperative, across property owned or otherwise controlled by the 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 supplied by the Cooperative.

C. 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, the National Electrical 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, the National Electrical Code, and all state and municipal codes insofar as they apply.

D. 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 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 Customer's installation such protective equipment.

E. 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 5.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.

F. 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.

G. 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 Cooperative at once.

H. 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, wires, 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 5.A.(1).

I. 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 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 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.

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

- (1) The Cooperative may discontinue service to a Customer under Section 5.A.(1) and remove its facilities from the Customer's premises, in case 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 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.

K. 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.

L. 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 5.A.(1).

M. 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 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 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 pole 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 sockets, disconnects, 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 sockets, disconnects, 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.

B. UNDERGROUND SERVICE INSTALLATION:

Under exceptional conditions the Cooperative may elect to install underground service wires from the distribution pole lines to a point located on or adjacent to the Customer's property or buildings. The Cooperative will designate the point at which the Cooperative's metering equipment will be made available for connection to the Customer's service entrance wires. Metering equipment located at this point shall be furnished in accordance with the Cooperative's procedures for the installation of meter loops, meter sockets, disconnects, 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.

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 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 6.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 interruptions. In no event shall the Cooperative be liable for damages from irregularities or interruptions of service, caused by, but not limited to, failure of facilities, breakdowns or injury to equipment, extraordinary repairs, an act of God, public enemy, accidents, labor disturbance, strikes or their equivalent, sabotage, legal process, federal, state, or municipal interferences and restraint by public authority, any emergency, or any cause beyond the Cooperative's control.

G. 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 8 - LINE EXTENSION POLICY:

The Cooperative extends its distribution facilities to customers in accordance with Operating Policy 506 – Line Extensions. This policy sets forth the service connection and distribution line extension requirements to be observed by the Cooperative in a manner which fairly allocates the cost of system growth and minimizes the effect of growth upon rates. The policy is approved by the Board of Directors and is on file at the Cooperative's office.

SECTION 9 - 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 sockets, disconnects, 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. 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:

- (1) Cooperative will, at its expense, make all changes in Cooperative's installed meter loops, meter sockets, disconnects, meters, and related appurtenances on Customer's premises that are required to meet the Customer's increased demand for electric service.
- (2) 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.
- (3) 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 fast or two percent 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 months preceding the test or for the time the meter has been in service at the location if less than six 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 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 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 or more, and all such bills shall be conditional upon the Cooperative's not being at fault for allowing the inaccurate meter to remain in service.
 - (d) In the case of a non-registering meter which has been read by the Cooperative during the period of non-registration, the Cooperative shall not render a bill for estimated consumption extending over more than twice the regular interval between readings.

G. DEMAND METERS:

Whenever any tests by the Cooperative of a demand meter while in service or on its removal from service, shows such meter to be more than two percent 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 10 - 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 his 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 Directors 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 Directors 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 Directors. The Board of Directors will then consider what, if any, action should be taken on the Customer's complaint.