

**DS&O RURAL ELECTRIC COOPERATIVE ASSOCIATION, INC.
RULES AND REGULATIONS**

ENTIRE TERRITORY

These Rules and Regulations are part of the Agreement for Electric Service 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 Cooperatives's principal place of business.

Effective Date: _____

By: _____

Title: _____

Note: Section 8 - Line Extension: approved January 19, 2004.

SECTION 1 - DEFINITIONS:

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

- A. **COOPERATIVE:** DS&O RURAL ELECTRIC COOPERATIVE ASSOCIATION, INC., 129 WEST MAIN, P. O. BOX 286, SOLOMON, KS. 67480, PHONE (785) 655-2011, 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. **ELECTRIC SERVICE AGREEMENT:** 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:**
 - 1) Application for electric service will be made in writing by Customer to Cooperative on the Cooperative's Standard Agreement for Electric Service and Membership form, although the Customer may at the discretion of the Cooperative be connected based on an oral request provided the written agreement 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 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 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:

- 1) 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:

- 1) Unless otherwise specified, Electric Service Agreements will be effective for an initial period of one (1) 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 (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 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, 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:**

- 1) 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, labeled in such a way as to enhance retrieval and utilizing a unique number and the Cooperative employee's name or code, should be made of the request. The record should be retained for at least four months. The outgoing 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:**

- 1) 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 ten (10) 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 the Customer 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 or other utility facilities as defined in section 6.J.
- 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 delinquent service account.
 - b) The Customer fails to pay an undisputed bill before the delinquency date for four (4) billing periods *in any twelve month period*.
 - c) The Customer fails to pay an undisputed bill for two consecutive billing periods and has a account balance at least 60 days in arrears.
 - d) The Customer presents a non-sufficient fund check in payment.
- 4) 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 or may accept the written guarantee of a responsible party as 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 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 undisputed proper charges for electric service as outlined in Section 3,D, or upon termination of service and payment of all 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 guaranty required will not exceed the amount of that Customer's projected average of two (2) months bill. If the Cooperative is utilizing turn-around billing for the Customer, the cash deposit or surety bond will not exceed three (3) months' average bills. If the Customer has tampered with cooperative facilities as outlined in Section 6,J, an additional deposit based on two (2) 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 (2) months' bills if the customer is not on turn-around billing, or largest three (3) 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 two (2) 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 5,000 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.

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 meters and equipment in an undamaged condition; and surrendered the Security Deposit Receipt if any. In case the Customer has lost Security Deposit Receipt, the Cooperative may require the Customer to sign a Release Form acknowledging the return of the security deposit with interest thereon. The Cooperative may require the identification of the person surrendering the Security Deposit Receipt.
2. Security deposits taken from Residential Customers who make non-delinquent payments of undisputed bills for electric service for the last twelve (12) months, will be either credited with simple interest as provided above to their utility bills or, at the Cooperatives discretion, refunded. Non-residential deposits under \$500 will be returned after 36 months of on-time payment. Non-residential deposits of \$500 or more may be retained until termination of service. A deposit will not be returned until all undisputed amounts are paid.
3. Interest payments on residential or non-residential deposits will be credited to the Customer's bill or refunded at least once a year.

E. **SECURITY DEPOSIT NOT A WAIVER:**

1. 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 BILL:

1. All bills for electric service are due and payable upon receipt. 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 Trustees. 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 regular 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 Trustees;
 - 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 approved rate schedule, such as customer services, sale and installation of merchandise.

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

C. **METER READING PERIODS:**

1. 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 may be read at least once a year by the Cooperative and an adjustment may be made in accordance with these Rules and Regulations.

E. **METER READING FEE:**

1. In the event the Customer does not furnish a required meter reading for two (2) 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 approved by the the Board of Trustees if the bill is rendered:
 - a) When extreme weather conditions, emergencies, work stoppages, or other circumstances beyond the Cooperative's control prevent actual meter readings;
 - b) When the Cooperative is unable to reasonably obtain access to the 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
 - c) 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:**

1. 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.

H. **RETURNED CHECK CHARGE:**

1. 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 due date will be the twentieth (20th) day following the date of billing.
 - b) For all other Customers, the fifteenth (15th) day after the date of billing.
2. When a bill becomes delinquent, a late payment charge in an amount equal to five percent (5%) of the delinquent amount owed for current electric service will be added to the 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, payments in the cooperative's after hours depository or received in the mail on the first business day after the due date will be considered on time.

L. DEFAULT:

1. 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.

M. COLD WEATHER RULE:

1. The provisions of the Cold Weather Rule (CWR) allow for special payment, disconnection and service limitation procedures for any Residential Customer with unpaid arrearages to retain or restore electric service throughout the cold weather period, which extends from November 1 through March 31.
2. DS&O will not disconnect a Customer's service when the local National Weather Service office forecasts the temperature will drop below 35 degrees within the following 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 utility 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 unauthorized interference with, or diversion or use of (meter bypass), electric service situated or delivered on or about the Customer's premises.
 - f) Service may be limited by use of a "service limit device" when the Customer has violated terms of the "Good Faith Test" as

outlined in 4,M,(3) below. In any of these situations, the Cooperative may disconnect the service immediately. Services disconnected under (c) or (d) above must be restored as soon as possible after the physical problems as defined in (c) and (d) above have been corrected. In order to keep from getting disconnected when the temperature is 35 degrees or above, or to get reconnected regardless of temperature, a Customer must comply with the provisions of the Good Faith Test.

3. Good Faith Test - To meet the Good Faith Test and qualify for the benefits of the Cold Weather Rule, 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 acceptable to the cooperative.
 - d) Apply for federal, state, local or other funds for which the Customer is eligible;
 - e) Enter a level payment plan (rolling average favored) for current and future consumption acceptable to the cooperative;
 - f) Not illegally divert (bypass meter) electric service; and
 - g) Not default on a payment plan.

4. Responsibilities of the Utilities
 - a) Mail a written notice of the Cold Weather Rule or publish a notice in the Kansas Country Living once a year at least 30 days prior to the CWR period to each Residential Customer who is currently receiving service..
 - b) Send one written notice mailed first class at least ten (10) days prior to termination of service. A Customer may not be disconnected until a 24-hour forecast above the activating temperature is predicted by the National Weather Service. During the day prior to disconnection, the Cooperative will make at least one telephone call attempt with the Customer of record. The telephone call requirement may be fulfilled by use of a automated phone system which records the time and date that calls were attempted and delivered.

SECTION 5 - DISCONTINUANCE OR LIMITATION 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 4,K, whether the bill is 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 3 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 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 account;

- 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) An individual or a Customer has an outstanding debt more than five (5) years old if the Service Agreement was signed and three (3) years if the agreement was oral.
 - e) 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. Except, when the individual resides with Customer of record when the debt was incurred and continues to reside at the same location.
3. In the event of discontinuance or termination of electric service at a separate metering point, residence, or location in accordance with these Rules and Regulations, the Cooperative may transfer any unpaid balance to any other electric Service Account with the 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) Such Customer is unable to pay for such service in accordance with the requirements of the cooperative's billing, or is able to pay for such service only in installments.
 - c) The Cooperative may either allow payment in reasonable installments or postpone discontinuance of service 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.
4. The customer must make the medical condition known to the cooperative before cooperative personnel are dispatched to collect the delinquent bill. Service may not be restored under this provision if the notification is more than twenty four hours after disconnection.

C. LIMITATION OF SERVICE UNDER SPECIAL CIRCUMSTANCES:

1. The Cooperative may limit service by use of a current limiting device (commonly known as a load limiter) during the cold weather period subject to the following conditions:
 - a) The customer has failed to honor terms of a “good faith agreement” for two consecutive months.
 - b) The customer has failed to make any payment on a delinquent bill for two consecutive months.
 - c) The customer has a delinquent account balance for three consecutive months and fails to make any payment in a single month.
 - d) Customer refuses to provide identification or credit information as provided in section 3,A,(1) during the cold weather period.

D. 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

- (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. The Cooperative will notify, or attempt to notify, customers by telephone at least two (2) days before they are to be disconnected. For purposes of this section, notification by telephone may be by electronic notification equipment and may include delivery to automated answering equipment, electronic mail or answering services.
 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 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 dates between 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 and satisfactory credit arrangements are made with the Cooperative for moneys not in dispute; and a date and time on which the Cooperative, or the Cooperative's designated agent, may conduct a hearing to determine whether service should be discontinued; and
 - f) 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 special danger to health. The address, telephone number and name of the Cooperative office or personnel empowered to review disputed bills, rectify errors, and prevent disconnection, will also be included. Language indicating that the Customer may meet with a designated employee of the Cooperative to present his or her reasons for disputing a bill or the Cooperative's reasons for discontinuance, requesting credit arrangements, or requesting a

postponement of discontinuance. The telephone number of the Cooperative's Office should follow this statement.

- g) If service is limited by use of a current limiting device, instructions on the operation and capacity of the device will be provided in addition to any other notices required by this section.

E. **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.
 - c) When remote controlled disconnection equipment is installed, Cooperative personnel or other authorized individuals will be available by telephone for at least one hour after discontinuance and the next full day following discontinuance to accept payment, or make other payment arrangements and to remotely restore service.
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:
 1. 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 for discontinuance, if any; and (vi) Record statements concerning the medical condition of any permanent resident of the premises.
 - 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.

- c) If remotely controlled disconnection equipment is to be used to discontinue service: (i) A cooperative employee will attempt to contact the customer by telephone immediately prior to disconnection; (ii) Record the name of the person contacted, if any; (iii) Accept payment by credit card, debit card or other electronic payment method of any amounts necessary to avert disconnection; (iv) Record statements disputing the accuracy of the delinquent bill, if any; (v) Record statements disputing the accuracy of the Cooperative's finding concerning the cause for discontinuance, if any; and (vi) Record statements concerning the medical condition of any permanent resident of the premises.

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 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 6 - CUSTOMER'S SERVICE OBLIGATIONS:

A. CUSTOMER TO FURNISH RIGHT-OF-WAY:

1. 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:

1. 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 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.

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:

1. 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:

1. 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:

1. 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:**

1. 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:**

1. 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:**

1. 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 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 Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by the Cooperative.

C. ENERGIZING BY COOPERATIVE ONLY:

1. 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 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:**

1. 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:**

1. 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:**

1. 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:

1. 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:

A. LINES AND SERVICES-(Except Developers and Oil Facilities):

1. The Cooperative will invest two and one-half (2 1/2) times the estimated annual revenue for a proposed extension project. Based on the estimated

cost of construction of single phase overhead line. The Customer will be responsible for a contribution-in-aid-to-construction for any estimated cost of construction amounts greater than the two and one-half (2 1/2) times the estimated annual revenue plus an additional contribution-in-aid-to-construction of \$200.00. Construction costs shall include, all applicable costs in accordance with the Rules and Regulations of the Cooperative. The Cooperative retains the right to adjust estimated construction costs.

2. The minimum contribution-in-aid-to-construction shall be \$200.00.
3. Estimated annual revenue shall be based on the load characteristics of the new service.
4. (See exhibit A)
5. Should the Customer fail to complete the original project (as defined on the application for service) within six (6) months from the date the service was energized, the Cooperative, may recalculate estimated annual revenue. Recalculation of the estimated revenue shall be an analyzation of the monthly rate minimum as defined on the applicable rate schedule. The Customer may be required to pay any additional contribution-in-aid-to-construction based on the recalculation. The Cooperative retains the right to adjust estimated annual revenue calculations.
6. If the customer requests underground service, the customer will be charged any costs exceeding the amount estimated for the Cooperatives share of overhead construction.
7. The Cooperative shall make only one investment to the original project (as defined on the application for service). Any modifications to the original project, that is not to the benefit of the cooperative, must be paid in full by the Customer prior to any modifications.
8. Should additional residential members be added to an existing line on which a contribution-in-aid-to-construction was paid by an existing member, the Cooperative will refund a portion of contribution-in-aid-to-construction paid by the existing member. For each additional resident added to the existing line, the refund shall be subject to the following refund schedule.

REFUND SCHEDULE:

Number of Months from Original Payment	Refund Amount
1-12	\$1,000
13-24	\$800

25-36	\$500
37-48	\$250
49-60	\$100

9. Terms and Conditions for refund of contribution-in-aid-to-construction:
- a) Add-ons are defined as new residential services being attached to an existing electrical line. The number of months from the original payment shall be determined by when a permanent meter is installed.
 - b) Refunds shall be made only to residential members who are active members at the original location for which the contribution-in-aid-to-construction was paid.
 - c) No refund shall be paid when the new customers service is on property sold by the customer who originally made the contribution-in-aid-to-construction.
 - d) The refund time-line begins when the permanent meter is installed.
 - e) Subdivisions as defined in Sec. 7, are not subject to refunds as defined in this subsection.
 - f) There is no limit to the number of refunds.
 - g) The maximum total amount of refund(s) shall be the original paid contribution-in-aid-to-construction less \$1000.00.
 - h) This section becomes effective January 20, 2004. Only contribution-in-aid-to-construction amounts paid after this date are subject to refunds.
 - i) It is the responsibility of the existing member to notify the cooperative of add-ons.
 - j) Refunds shall be based on the date on which an add-on attached to an existing line. However, no refunds shall be issued after sixty (60) months from payment of original contribution-in-aid-to-construction.
10. Any and all contribution-in-aid-to-construction must be either paid in full prior to Cooperative construction or if this amount exceeds \$1,000.00, a customer may arrange to pay the outstanding amount in equal monthly installments in accordance with the following procedure:
- a) Customer has credit acceptable to the cooperative.
 - b) Agree to a ten percent (10%) increase in the amount of CIAC.
 - c) Contact a customer service representative at the Cooperative office to request the installment plan.
 - d) Agree to make a down payment of 10% of the total customer contribution or \$1,000.00 (whichever is greater) prior to the construction of the line.
 - e) Sign a customer service agreement that requires a payment of the difference between the total customers contribution and the down

payment made in item two above in no more than thirty (30) equal installments as calculated for the term of the agreement. This amount will be added to the monthly charge on the Customer's bill.

B. CONTRIBUTION BY DEVELOPER:

1. In the event a developer or owner of a housing or building development requests that the Cooperative construct a distribution system in advance of completion of a substantial number (2 or more) of houses or buildings, the Cooperative will require a contribution-in-aid-to-construction, as defined in Subpart E,2 of this section, based on the number of houses or buildings that will be constructed in a twelve (12) month period,
2. The Cooperative will invest two and one-half (2 1/2) times the estimated annual revenue for a proposed extension project. Based on the estimated cost of construction, the developer or owner will be responsible for a contribution-in-aid-to-construction for any amounts greater than the two and one-half (2 1/2) times estimated annual revenue; plus an additional contribution-in-aid-to-construction of \$200.00 per meter. This contribution may be discounted to the developer or owner if certain contractual agreements are made as to the type of energy to be used by all of the houses or buildings located in the development. For example, total electric or total electric with geothermal heating and cooling systems.
3. The twelve (12) month period will begin from the date the first project is energized.
4. There will be no proration of contribution-in-aid-to-construction due to additional services added to the original project as defined in Subpart E,1.
5. Should the developer or builder fail to complete the number of homes or buildings as determined in the above Subpart E,1, the Cooperative will recalculate its investment to the project as calculated in the above Subpart E,2. Recalculation of the estimated annual revenue shall be an analyzation of the monthly rate minimum as defined on the applicable rate schedule. The Customer shall be required to pay any additional contribution-in-aid-to-construction based on the recalculation. The Cooperative retains the right to adjust estimated annual revenue calculations.

C. SERVICE TO OIL PRODUCTION OR HOLDING FACILITIES:

1. See terms under E of this section.

D. CONTRACT TERM:

1. In the event that the Customer accepts service under the terms of the financing option in Part A,8 of this Section of this extension policy, the Customer will be required to sign a service agreement that requires a payment of the difference between the total Customer's contribution and the down payment made in item two above in no more than sixty (60) equal installments as calculated for the term of the agreement. This amount will be added to the monthly facility charge on the customer's bill. After the initial contract period the monthly minimum or monthly Customer Charge will not exceed the amount set forth in the appropriate Rate Schedule. In the event of the transfer of membership on this service, all obligations under this contract must be fulfilled by either a lump sum payment or a signed transfer of this contractual obligation by the new member.

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 guarantee 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.

SECTION 9 - METERING:

A. METERING OF SERVICE:

1. 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:

1. 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:**

1. 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.
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:**

1. 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 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 (\$1.00) or more, and all such bills shall be conditional upon the Cooperative's not being at fault for allowing the inaccurate meter to remain in service. The Cooperative shall in no case render a bill for under-registration where a meter has been found to be slow, unless the particular meter has been tested in conformity with 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:**

1. Whenever any tests by the Cooperative of a demand meter while in service or on its removal from service, shows such meter to be more than two percent (2%) in error, the provisions covering the adjustment of charges in the case of service watt-hour meters shall be observed insofar as they are applicable. If the demand meter depends upon actuations from the watt-hour meter or its readings, the average error of the demand meter shall be determined from the heavy load accuracy of the watt-hour meter in conjunction with the accuracy of the demand meter itself.

H. SPECIAL METER TESTS:

1. In the event a Customer requests the Cooperative to test a meter, the Cooperative shall test the meter in place and present the test results to the customer. If the customer requests a meter test conducted by an independent test laboratory, 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 - KANSAS ALTERNATIVE RENEWABLE ENERGY (KARE):

In order to promote the installation of Member-owned alternative power generation, the Cooperative has created a KARE Program that links Members who want to develop alternative power generation sources with Members who voluntarily would contribute to the development of alternative sources of power generation in the Cooperative's service territory.

Members can become KARE supporters by paying extra on their electric bills. All funds designated as KARE contributions shall go directly in a KARE Fund to be used to pay local producers who operate and maintain eligible KARE Projects. See Section 2.

A. KARE PROJECT REQUIREMENTS

1. To be eligible for participation in the KARE Program, a KARE Project must be (a) Member-owned, (b) located within the service territory of the Cooperative, (c) have a capacity of 25 kW or less, and (d) produce energy from facilities using wind, solar, geothermal, biomass, or water resources. The Cooperative will be responsible for certifying eligibility of each KARE Project. A Member having a certified KARE Project shall be hereinafter referred to as a KARE Producer.
2. All costs associated with interconnecting a KARE Project with the Cooperative's distribution system shall be the responsibility of the

KARE Producer. KARE Producer is responsible for installing and maintaining the KARE Project in compliance with all national, state, and local construction and safety codes.

3. In order to prevent unauthorized power to the Cooperative through a meter used in the KARE Program, energy produced from KARE Projects cannot be used as back-up power for KARE Producers and KARE Projects are not allowed to utilize any battery back-up unless otherwise authorized in writing by the Cooperative.
4. The steps required for participating in the KARE Program and interconnecting a KARE Project with the distribution system of the Cooperative are as follows:
 5. KARE Producer submits a completed Application For Interconnection of KARE Generation (Application) to the Cooperative.
 6. The Cooperative evaluates the Application and proposed interconnection to determine requirements according to the applicable engineering criteria contained in IEEE 1547 (*and the requirements of the Cooperative's wholesale power supplier?*).
 7. The KARE Producer satisfies the interconnection requirements established by the Cooperative for the KARE Producer's specific KARE Project and enters into a Power Purchase and Interconnection Agreement for KARE Generation with the Cooperative.
8. Generation supplied by the KARE Project will be absorbed by the Cooperative and/or the Cooperative's wholesale power supplier. Payment for energy produced by the KARE Project shall be in accordance with the terms of the Rate Schedule No. KARE No. 1 - Producers Schedule.
9. Once operating, the Cooperative reserves the right to require the Member, at the Member's expense, to provide corrections or additions to their existing protective devices in the event of future modification of government regulations or industry standards. If, in the Cooperative's sole discretion, it is determined that the KARE Producer has connected non-qualified generation to their KARE Project and is delivering energy to the Cooperative, the Cooperative will disconnect the KARE Project and suspend KARE Producer from the KARE Program.

B. KANSAS ALTERNATIVE RENEWABLE ENERGY (KARE FUND)

1. Purchases and/or contributions under the KARE Program from Members will be added to a KARE Fund. All purchases and/or contributions by Members will be voluntary. The KARE Fund will be used to help pay KARE Producers for the energy delivered to the Cooperative's distribution system from KARE Projects. KARE Producers will also receive a payment required by K.S.A. 66-1,184. See Rate Schedule: KARE No. 1 — Producer Schedule. For purposes of accounting for

payments made to KARE Producers, the KARE Fund will be closed on March 31 of each year and the level of funds as of this date will determine the amount of KARE funding available for distribution to KARE Producers for the twelve months ending that date. Payments made to KARE Producers from the KARE Fund will not, under any circumstances, exceed \$0.75/kWh. Any KARE Fund amounts in excess of this level will be held over to the following year and added to the KARE Fund account for the next year. Any payments from the KARE Fund are unequivocally dependent on the voluntary purchases and/or contributions of other Members. If there is no money in the KARE Fund, KARE Producers will receive no payment from this fund. The Cooperative will not be required to make a payment for the KARE Fund from any other source.

C. **PURCHASES OF ENERGY GENERATED BY KARE PROJECTS**

1. Purchases of energy under the KARE Program will be made by the Cooperative on a monthly basis in addition to amounts available in the KARE Fund in accordance with the formula set forth in the KARE No. 1 - Producer Schedule in the Tariff.

SECTION 11 - GENERAL CLAUSES:

A. **WAIVER:**

1. 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:**

1. 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:**

1. 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:**

1. 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.