

DSO ELECTRIC COOPERATIVE, INC. RULES AND REGULATIONS

These rules and regulations are part of the agreement for electric service between DSO Electric Cooperative, Inc. (hereinafter “DSO”) and the member. There is intended to be no inconsistency between these rules and regulations and DSO’s rate schedules. If there should appear to be any such inconsistency, then the rules and regulations shall prevail. Copies of these rules and regulations are available on DSO’s website and at DSO’s principal place of business.

Effective Date: October 1, 2022

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SECTION 1 – DEFINITIONS

In addition to the usual meaning, all words or terms used in these rules and regulations, in rate schedules, and in electric service agreements are intended to have the meanings regularly ascribed to them by the electric industry. The following terms, unless otherwise indicated therein, shall have the specific meanings given below:

- A. **DSO**: DSO ELECTRIC COOPERATIVE, INC., 201 DAKOTA DRIVE, P.O. BOX 286, SOLOMON, KANSAS 67480, PHONE (785) 655-2011, which furnishes electric service under these rules and regulations.
- B. **BOARD**: DSO’s board of directors.
- C. **MEMBER**: Any person (must be at least 18 years of age), partnership, association, firm, public or private corporation, or governmental agency applying for or using electric service supplied by DSO.
- D. **RESIDENTIAL MEMBER**: A member applying for or using electric service at a home or farm service location occupied as a place of residence.
- E. **ELECTRIC SERVICE AGREEMENT**: The application, and contract, pursuant to which DSO supplies electric service to the member.
- F. **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 MEMBER**

Application for electric service (“Service Agreement”) is available in paper format from DSO and in electronic format on DSO’s website. The completed application becomes a service agreement or contract when accepted by DSO, or upon establishment of service. DSO may require a separate Service Agreement for each service at the same location or at each separate location. Applications that have not been completed (i.e., deposit paid, e-sign document returned, etc.) within 30 days of the application date will be voided.

B. **ADDITIONAL PROVISIONS**

Electric service shall be supplied to the member under the provisions of DSO’s articles of incorporation (“articles”), bylaws, Service Agreement, applicable rate schedules, rules and regulations, and any special contract or agreement with the member. The taking of electric service by a member shall constitute acceptance of, and an agreement to be bound by, all such provisions. Any changes in articles, bylaws, rate schedules, or rules and regulations shall act as a modification of the Service Agreement then in existence without further notice to the member.

The member shall furnish, upon request, sufficient information relative to the size and characteristics of the load; the location of the premises to be served; and information needed to designate the class or classes of electric service to be supplied and the conditions under which it shall be supplied.

C. **RATES**

Rates for electric service shall be those of DSO currently in effect subject to applicability to the members and subject to change as provided by law. Rate schedules currently in effect may be reviewed by any member at DSO's principal place of business. Members' eligibility for service under any particular rate schedule shall be determined solely by DSO based upon the eligibility criteria set forth in the rate schedule. If a member is eligible for service under one or more rate schedule, then it shall be the sole responsibility of the member to determine the rate schedule under which the member shall receive service. If a member makes no such election, then DSO may provide service under the rate schedule DSO determines to be applicable to the member. DSO shall not be liable to, and shall be held harmless from, the member's failure to elect the appropriate rate schedule under which service shall be provided.

Once a member receives service under an assigned rate (or chosen rate, if applicable), the member shall remain on that rate for a minimum of 90 consecutive days. The exceptions to this would be if the member becomes ineligible to remain on that rate or a term other than 90 days is specified in the rate schedule the member is assigned or has chosen.

Prepaid Accounts

The following requirements apply to prepaid accounts:

1. The member's account shall have metering equipment compatible with the prepaid meter. Three phase and CT metering do not meet these requirements.
2. The member shall be required to pay all applicable fees and equipment charges.
3. A member desiring prepaid service shall make a request to DSO to be enrolled in the prepaid service.
4. DSO shall allow enrollment into prepaid service if the member meets the above eligibility requirements.
5. A full settlement of the account shall be made when participation in the plan has ended.

D. **TEMPORARY SERVICE**

Temporary service may be supplied in accordance with the applicable rate schedule for the type of service to be supplied. There shall be an additional charge paid in advance before service is established. The charge shall be determined as follows:

1. 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
2. A security deposit, if required, in accordance with these rules and regulations.

E. **CHANGE IN OCCUPANCY**

When a change of occupancy is to take place on any premises supplied with electric service by DSO, the outgoing member or member representative shall give written (hardcopy or electronic) or oral (in person or via telephone) notice to DSO's office not less than seven days prior to the date of change.

All connect and disconnect requests shall be kept on file for at least four months.

The outgoing member shall be held responsible for payment of all electric energy recorded by the meter until the requested time of termination. If no such notice is given, the outgoing

member shall be held responsible for electric energy recorded during the time the account continues to be in the member's name, as shown by the records of DSO. The member shall not by such notice be relieved of any obligations already accrued under the Service Agreement or other contract with DSO.

If a member passes away with an active account in the member's name, then DSO asks beneficiaries/interested parties to notify DSO as soon as possible. An active account found to be in a deceased member's name will only be allowed to stay active for 90 days, upon notice/discovery of the member's passing. To remain active, the account will need to be registered in another name and a new application for service shall be required.

F. RE-SELLING OR REDISTRIBUTING OF SERVICE

The electric service provided is for the sole use of the member and the member shall not sell, share, or re-deliver electric service to any person, except for campgrounds, RV parks, apartment/condo complexes, or where specifically provided by applicable rate schedule or special contract. In no event shall the member resell electricity for more than the member is charged by DSO. Any infraction of this rule shall be sufficient cause for discontinuance of service.

SECTION 3 – CREDIT AND SECURITY DEPOSIT REGULATIONS

A. ESTABLISHMENT AND MAINTENANCE OF CREDIT

Credit/Identity Information

DSO shall conduct both a credit and identity check before service is made available. DSO may request positive identification (e.g., photo with name) from residential members.

Security Deposit Required

DSO may, at the time of application for service, require a security deposit to guarantee payment of bills for electric service rendered if:

1. DSO establishes that the member has an unsatisfactory credit rating, or the member has an insufficient prior credit history upon which a credit rating may be based; or
2. The member has outstanding, with a utility, an undisputed and unpaid service account; or
3. The member has tampered with DSO's or another utility's facilities.

DSO may, at any time after application for service, upon five days written (paper or electronic) or telephone notice, require a deposit to guarantee payment of bills for utility service rendered if:

1. The member has outstanding, with DSO, an undisputed and delinquent service account; or
2. The member fails to pay an undisputed bill before the delinquency date for 4 billing periods in any 12-month period; or
3. The member fails to pay an undisputed bill for 2 consecutive billing periods and has an account balance at least 60 days in arrears; or
4. The member presents a non-sufficient fund check in payment.

Guarantee

In lieu of requiring a security deposit, DSO may accept the written guarantee of any of its residential members with no deposit on file or may accept the written guarantee of a responsible party as surety for a member's Service Agreement. DSO may require the guarantor to sign an agreement allowing DSO to transfer the member's debt to the guarantor's account.

In the event the member's debt is transferred to the guarantor's account, then the guarantor shall have the same time to pay the deposit as a new member and can be disconnected for nonpayment under conditions set out in SECTION 5. DSO shall not hold any guarantor liable for sums in excess of the maximum amount of the required cash security deposit.

The guarantor of a residential member shall be released upon non-delinquent payment of all undisputed proper charges for electric service as outlined in SECTION 3-D or upon termination of service and payment of all bills.

B. CALCULATION AND PAYMENT OF SECURITY DEPOSIT

For all members, the amount of the cash security deposit or guaranty, if required, shall be based on the credit report star rating received from the credit check process. Specifically,

1 Star = \$600 Deposit 2 Stars = \$300 Deposit 3 Stars = No Deposit Required.

If the member has tampered with DSO's facilities, then an additional deposit based on the projected two months largest usage may be assessed. The security deposit of all members may be payable in full upon notice, as provided in SECTION 3-A.

For purposes of establishing security deposits and projecting monthly bills, DSO shall consider the length of time the member can reasonably be expected to take service, past consumption patterns, end use of service, and consumption patterns of other similar members. The amount of the cash security deposit or guaranty may be adjusted if the character or volume of the member's services should change.

Security deposits may be transferable from one member to another, depending on credit and payment history; however, upon termination of the member's service at the service address, DSO may transfer the security deposit to the member's newly activated account. Disconnection for non-payment of the security deposit shall be governed by SECTION 5-A.

C. SECURITY DEPOSIT RECORD

DSO shall maintain a record of all security deposits received from members showing the name of each member, the address of the premises for which the security deposit is maintained, the date and the amount of deposit, and the date and amount of interest paid.

D. REFUND OF SECURITY DEPOSIT

Upon termination of service (including a change in account type), if the security deposit is not to be transferred to the member's new account, then the member's deposit shall be refunded, less any unpaid service bills, including simple interest at a rate not less than that provided by K.S.A. 12-822 and amendments thereto; provided that the member has 1) paid all bills due DSO, 2) allowed DSO to remove its meters and equipment in an undamaged condition, and 3) surrendered the security deposit receipt, if any. In case the member has lost the security deposit receipt, then DSO may require the member to sign a release form acknowledging the return of the security deposit with interest thereon. DSO may require the identification of the person surrendering the security deposit receipt to ensure that person is the applicable member.

Security deposits taken from residential members who make non-delinquent payments of undisputed bills for electric service for the last 12 months shall be either 1) credited with simple interest (as provided above) to the member's utility bills or, at DSO's discretion, 2) completely refunded. Non-residential deposits shall be retained until termination of service. A deposit shall not be returned until all undisputed amounts are paid.

Interest payments on residential or non-residential deposits shall be credited to the member's bill or refunded at least once a year. A deposit may be credited to the account if the member elects to convert to a prepaid rate.

E. **SECURITY DEPOSIT NOT A WAIVER**

The fact that a security deposit or guarantee has been made shall in no way relieve the member from complying with DSO's rules and regulations pertaining to payment of bills, nor shall it constitute a waiver or modification of the regular practices of DSO providing for disconnection of service for non-payment of sums due DSO for service rendered.

SECTION 4 – BILL PAYMENT

A. **PAYMENT OF BILL**

All bills for electric service are due and payable from the time of receipt until the due date shown on the bill. Bills shall be sent by mail or via electronic notification, as chosen by the member. The non-receipt of a bill by a member shall not release or diminish the obligation of the member with respect to the full payment thereof, including penalties and interest.

B. **CONTENTS OF BILL**

DSO shall normally bill each member each billing period in accordance with its applicable rate schedules. Each service bill issued to a member shall show, at a minimum, the following:

1. The beginning and ending meter registration for the reading period, except that estimated billings shall disclose that it is based on estimated usage; and
2. The date of the meter reading and the date of the bill; and
3. The final date by which a payment can be received before a delinquency charge is imposed; and
4. The actual or estimated usage during the billing period; and
5. The amount due for regular payment and the amount due after delinquency in payment; and
6. 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; and
7. The total amount due for the current billing period; and
8. The amount due for franchise and sales taxes and research and development surcharges stated separately; and
9. The address and telephone number of DSO where a member may report a disputed bill, make an inquiry concerning a bill, delinquency or termination of service, or otherwise express a concern.

DSO may include other charges for special services on the bill for utility services, which would be separate from utility service charges. Special charges are those not authorized by approved rate schedules, such as member services, or sale and installation of merchandise.

If the member makes a partial payment for the total bill, then DSO shall credit payment in the following order:

1. First, to the balance outstanding for utility service beginning with the oldest service debt;
2. Second, to charges such as disconnection/reconnection fees;
3. Finally, to any other charges.

If the member is paying in advance, then each bill shall also clearly disclose the overage or underage of the amounts paid to date as compared to the cumulative actual usage, in dollars, to date.

The member's bill shall also show any adjustment to previous billings based on estimated usage or member meter readings after actual usage has been determined from a meter reading by DSO. The adjustment shall be calculated for a period between the last valid meter reading and the most recent meter reading by DSO. If the adjustment shows a net balance due to DSO, then the member shall be given the opportunity, if requested, to pay the additional charges in equal installments over a period of time equal to the adjusted billing period. If a net balance is due to the member, then the member shall be given either a credit on subsequent bills or a refund.

Prepaid Rate

No electric service paper billing shall be sent to members who have selected the prepaid rate, unless requested in writing or via phone. An additional fee may apply for receiving paper statements. Account history, usage, and charges shall be made available to the prepaid rate members. Prepaid rate members are responsible for managing and updating notification settings on their prepaid accounts.

C. METER READING PERIODS

Unless otherwise provided in the rate schedules, meters shall be read at intervals approximating the billing period.

D. ESTIMATED USAGE

DSO may render a bill (other than a final bill when service is discontinued or an initial bill) based on estimated usage pursuant to estimating procedures approved by the board, if the bill is rendered:

1. When extreme weather conditions, emergencies, work stoppages, or other circumstances beyond DSO's control prevent actual meter readings; or
2. When DSO is unable to reasonably obtain access to the member's premises to read the meter; or
3. When the meter fails to accurately record usage; or
4. When DSO's automated metering system does not provide all incremental readings; or
5. When a billing error is found, such as an incorrect meter multiplier being applied.

DSO may render a bill based on estimated usage as a member's final or initial bill pursuant to estimating procedures when:

1. The member so requests and any necessary adjustments are made to the bill upon a subsequent actual meter reading by DSO; or
2. An actual meter reading would not show actual member usage, but is used in estimating usage; or
3. An actual meter reading cannot be taken because of a broken meter or other equipment failure.

DSO may render a bill based on estimated usage when the member is paying in advance for usage where payments are based upon an estimated or projected average usage.

When DSO renders an estimated bill in accordance with this section it shall do the following:

1. Maintain accurate records of the reasons therefore and efforts made to secure an actual reading; and
2. Clearly disclose on the bill that it is based on estimated usage; and
3. Make any appropriate adjustment upon subsequent reading of the meter.

All adjusted bills and bills covering more than a one-month period shall be based on increasing the length of the rate blocks according to the number of months involved (the rate blocks shall be doubled for a two-month reading, tripled for a three-month reading, etc.) Adjustments shall not be prorated for less than a one-month period. Adjusted bills shall show the credit due to the member for amounts paid that were based on the member's readings or DSO's estimate and shall show the balance due and payable.

E. **BILLING ERRORS AND ADJUSTMENTS**

If a billing error is found (e.g., an incorrect meter multiplier was applied), then DSO shall make the necessary adjustments and contact the member about the error. DSO shall make adjustments for the entire period during which the condition or error existed, subject to state statute limitations.

If the error resulted in DSO overbilling the member, then DSO shall determine what the proper bill(s) should have been and provide this information to the member. DSO shall credit the adjustment to the member on the next available billing cycle.

If the error resulted in underbilling the member, then DSO shall determine what the proper bill(s) should have been and provide this information to the member. DSO reserves the right to collect all money it is owed by the member for the period in question. The member shall be provided a proportionate amount of time to pay the adjustment as the amount of time covered by the adjustment. For example, if an error is found that went back four months, then the member shall be given four months to pay for the adjustment.

F. **BILL PAYMENT**

DSO may require the member to make payment of bills by cash, certified checks, credit/debit card, or money orders. DSO shall give notice to the member whenever checks shall no longer be accepted for payment of bills.

G. RETURNED CHECK FEE

DSO may require a Returned Check Fee, as filed in the Service Fees rate schedule, from the member for member checks returned due to insufficient funds or any other reason.

H. TAX ADJUSTMENT

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 DSO, then the amounts thereof insofar as practical, shall be charged on a prorata basis to all members receiving electric service from DSO within the boundaries of such taxing sub-division. This tax charge, in all cases, shall be in addition to the regular charges for electric service.

Gross Receipts Tax

Where a tax is levied on a percentage of gross receipts, that percentage shall be applied to each affected member's bill, and the amounts so computed shall be added to each member's regular billing until such member's proportionate share of the total tax is paid. The prorata tax applicable to each member shall be identified on the member's billing as such.

I. RESIDENTIAL BUDGET PAYMENT PLAN

Availability

The Budget Payment Plan (BPP) is, by mutual agreement between the member and DSO, available to any qualifying residential member who has been an established member of DSO for at least 12 consecutive months.

Estimated Bills

At the request of any qualifying member, DSO shall calculate an estimated bill based on the average of the bills rendered for the current month and the preceding 11 months.

Conditions of BPP

The member shall be entitled to receive electric service under the BPP provided the member agrees to the following:

1. To pay each monthly installment on or before the due date thereof; and
2. To pay the late payment charge provided in these rules and regulations, if a bill becomes delinquent; and
3. Any returned check(s) or failure to pay any monthly payment on or before the delinquent date shall be cause for termination by DSO of the BPP with respect to the member, in addition to other remedies permitted by these rules and regulations; and
4. The estimate shall apply only to the premises then occupied by member and if such premises is vacated during the period covered by said estimate, then the BPP with respect to member shall immediately terminate; and
5. If the BPP is terminated, then any amount or amounts payable by or due to member on account of the metered service during the period covered by the plan shall be billed or credited to member at once; and
6. Until terminated by either party, the BPP shall be renewed automatically every 12 months; and
7. The amount payable needs to be at or near \$0.00 at least once every 12 months; and

8. The BPP may be periodically reviewed by DSO and the monthly payment shall be revised if it appears at any time on review that the debit or credit balance at the end of 12 month period shall be substantially different than the estimate; and
9. The difference between the accumulated total amount of the member's billings determined by metered usage, and the accumulated total of the amounts paid before the 12th month shall be charged or credited, as the case may be, to the service bill.

J. DELINQUENT BILLS

Payments for electric service that are mailed to DSO shall be deemed delinquent if the envelope is post marked on or after the due date stated on the bill. All other forms of payment for electric service shall be deemed delinquent if payment is not received by DSO or its authorized agent on or before the due date stated on the bill. For residential members, the due date shall be the last day of the month after the date of billing. For all other members, the due date shall be the 25th day after the date of billing.

When a bill becomes delinquent, a Late Payment Fee, as specified in the Schedule of Fees, shall be added to the member's bill and collection efforts by DSO shall be initiated.

If the last calendar day for remittance falls on a day when DSO's office is not open to the general public, then payments in DSO's after-hours depository or received in the mail on the first business day after the due date shall be considered on time.

Prepaid accounts become delinquent immediately upon failure to maintain a credit balance. DSO may discontinue service for such delinquency immediately, with no notice to the member.

DSO reserves the right to refuse electric service to a member at any new location until all delinquent bills of such member are paid.

K. DEFAULT

Failure of the member to conform to these rules and regulations or to pay any amount due DSO under the member's Service Agreement in the full amount due before becoming delinquent shall constitute a default by the member on their Service Agreement.

L. COLD WEATHER RULE

The provisions of the Cold Weather Rule (CWR) allow for special payment, disconnection, and service limitation procedures for any residential member with unpaid arrearages to retain or restore electric service throughout the cold weather period, which extends from November 1 through March 31.

DSO shall not disconnect a member's service when the local National Weather Service office forecasts the temperature to drop below 35 degrees within the next 24 hour period unless:

1. It is at the member's request; or
2. The service is abandoned; or
3. A dangerous condition exists on the member's premises; or
4. The member violates any DSO rule that adversely affects the safety of the member or other persons, or the physical integrity of DSO's delivery system; or
5. The member causes or permits unauthorized interference with, or diversion or use of (meter bypass), electric service situated or delivered on or about the member's premises.

To avoid being disconnected when the temperature is 35 degrees or above, or to get reconnected regardless of temperature, a member must comply with the provisions of the “Good Faith Test.” To meet the Good Faith Test, the member shall:

1. Inform DSO of the member’s inability to pay the bill in full; and
2. Apply for federal, state, local or other funds for which the member is eligible; and
3. Agree to be switched to a prepaid account, including completing a service application, if needed (any outstanding balance will still be owed to DSO, but will not be due to be paid to DSO until immediately after the cold weather period). Any existing deposit on the account would be addressed in Section 3.D.

DSO shall provide the following CWR notices:

1. Mail a written notice of the CWR or publish a notice in the Kansas Country Living once a year at least 30 days prior to the CWR period to each residential member who is currently receiving service.
2. Send one written notice mailed first class at least 10 days prior to termination of service. A member shall not be disconnected until a 24-hour forecast above the activating temperature is predicted by the National Weather Service.

DSO may notify, as a courtesy, members by telephone at least 24 hours before they are to be disconnected. For purposes of this section, notification by telephone may be by electronic notification equipment to the member’s telephone number on file and may include delivery to automated answering equipment, electronic mail or answering services.

The CWR does not apply to prepaid accounts. If the account balance is \$0.00 or below during inclement weather, then it shall not postpone disconnection of a prepaid account.

SECTION 5 – DISCONTINUANCE OF SERVICE

A. DSO’S REFUSAL OR DISCONTINUANCE OF SERVICE

Electric service may be refused or discontinued by DSO for the following reasons:

1. When requested by the member; or
2. When the service is abandoned; or
3. Upon 10 days written, oral, or phone notice, when the member’s bill for electric service or other charges becomes delinquent, whether the bill is based on member’s meter reading, DSO’s meter reading, or DSO’s estimate of consumption; or
4. When an unsafe or dangerous condition is found to exist on the member’s premises (service shall be terminated immediately); or
5. Upon 10 days written, oral, or phone notice, when the member 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 DSO; or
6. Upon the sooner of 10 days written, oral, or phone notice or 48 hours after a personal or phone contact is made with the member of record, when the member is proved to have misrepresented their identity for the purpose of obtaining electric service; or

7. Upon 48 hours written, oral, or phone notice, when member refuses to grant DSO personnel access during normal working hours to equipment installed on the premises of the member for the purpose of inspection, meter reading, maintenance or replacement; or
8. When the member violates any rule of DSO that adversely affects the safety of the member or other persons, or the integrity of DSO's delivery system (service shall be terminated immediately); or
9. When member causes or permits unauthorized interference with, or diversion or use of (meter bypass), DSO's service situated on or about the member's premises (service shall be terminated immediately); however, if DSO has knowledge that persons other than the member's family are residing at the premises, then DSO shall give such persons a two-day written or 24-hour oral notice prior to termination of service.

None of the following reasons shall constitute sufficient cause for DSO to threaten or discontinue electric service or threaten or refuse service:

1. The member'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, DSO may transfer any unpaid balance to any other service account with the member's written consent, provided, however, that in the event of the failure of the member to pay a final bill at any metering point, residence, or location, DSO may transfer such unpaid balance to any successive service account opened by the member for the same class of service, and may discontinue service at such successive metering point, residence, or location for nonpayment of such transferred account; or
2. The member'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; or
3. The member's failure to pay a bill that is in dispute; however, the member shall first pay that portion of the bill not in dispute; or
4. An individual or a member has an outstanding debt more than five years old, provided the Service Agreement was signed; or
5. 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 their name. The exception would be when the individual resides with the member of record when the debt was incurred and continues to reside at the same location.

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, DSO may transfer any unpaid balance to any other electric service account in the member's name.

B. POSTPONEMENT OF DISCONTINUANCE IN SPECIAL CIRCUMSTANCES

The member may establish that discontinuance of service would be especially dangerous to the health of the member, resident member of the member's family, or other permanent resident of the premises where service is rendered by obtaining a statement signed by a physician or public health official verifying that fact and forwarding or presenting it to DSO office prior to the date of disconnection. The member must make the medical condition known to DSO before DSO personnel terminate service or are dispatched to terminate service. Service may not be restored under this provision if the notification is more than 24 hours after disconnection.

Termination of service may be postponed if a residential member notifies DSO in writing, in-person, or via phone and establishes that:

1. Discontinuance would be especially dangerous to the health of the member, a resident member of the member's family, or other permanent resident of the premises where service is rendered; and
2. Such member is unable to pay for such service in accordance with the requirements of DSO's billing or is able to pay for such service only in installments.

DSO may either allow payment in reasonable installments or postpone discontinuance of service to enable member to make arrangements for reasonable installment payments.

In determining whether discontinuance would be especially dangerous to an individual's health, consideration shall be given to the weather, and the member's or other resident's medical condition, age, or disability, of which the member shall provide verification.

C. NOTICE REQUIREMENTS

When a notice of discontinuance of service is issued, it shall be forwarded separate from other DSO 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 that is provided to DSO by the residential member.

Service of notice by mail is complete upon mailing. DSO shall maintain the record of the date of mailing and the effective dates of the notice. The notice shall 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.

DSO may notify, as a courtesy, members by telephone at least 24 hours before they are to be disconnected. For purposes of this section, notification by telephone may be by electronic notification equipment to the member's telephone number on file and may include delivery to automated answering equipment, electronic mail, or answering services.

The mailed notices required shall contain the following information:

1. The name and address of the member, and the address, if different, where service is rendered; and
2. A clear and concise statement of the reason for the proposed discontinuance of service and the cost and conditions for reconnection; and
3. The first date on which service can be discontinued, unless the member takes appropriate action; and

4. Terms under which the member may avoid discontinuance; and
5. A statement that discontinuance may be postponed or avoided if the member can demonstrate prior to the date of discontinuance that special circumstances prevent complete payment and satisfactory credit arrangements are made with DSO for moneys not in dispute; and
6. The address and telephone number of DSO to review disputed bills, rectify errors, and prevent disconnection, shall also be included.

A prepaid account shall be subject to immediate disconnect at any time the account does not carry a credit balance. It is the member's responsibility to monitor the balance on the account.

D. DISCONNECT PROCEDURE

Except for prepaid accounts and discontinuance pursuant to SECTION 5-A.1, DSO shall not discontinue service unless:

1. At the time of the proposed discontinuance, for one hour after discontinuance and on the full workday following discontinuance, DSO office or authorized personnel identified in the notice given are open or available to the member for the purposes of making payment arrangements, preventing discontinuance, or obtaining reconnection; and
2. When remote controlled disconnection equipment is installed, DSO personnel or other authorized individuals shall be available by telephone for at least one hour after discontinuance following discontinuance to accept payment or make other payment arrangements and to remotely restore service.

A prepaid account shall be subject to immediate automatic disconnection at any time the account balance goes below \$0.00. While disconnected, the account will continue to be assessed the daily availability charge. If a prepaid account is disconnected and does not become active for 15 consecutive days, then the account shall be considered inactive, and a final bill shall be sent.

E. RESTORATION OF SERVICE

Upon the member's request, DSO shall restore service promptly when the cause of discontinuance of service has been eliminated, all applicable restoration charges paid, and, if required, satisfactory credit arrangements have been made.

At all times, DSO shall make every effort to restore service on the restoration day requested, and in any event, restoration shall be made no later than the next business day following the day requested by the member, unless special circumstances preclude the restoration.

Once a prepaid account has been paid and a credit balance restored, a signal shall be automatically sent to the meter to restore power.

F. **REVIEW OF DISPUTES**

When a member advises DSO, 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 DSO's reasons for discontinuance are factually invalid, DSO shall:

1. Immediately record the date, time, and place the complaint is made; and
2. Postpone discontinuance until a full investigation is completed and the dispute is found to be invalid; and
3. Investigate the dispute promptly and completely; and
4. Attempt to resolve the dispute informally and in a manner mutually satisfactory to both parties.

A member may advise DSO 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 DSO.

DSO, 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.

If a dispute is not resolved to the satisfaction of the member, after full investigation, and DSO intends to proceed with discontinuance, then DSO shall notify the member of the date, place, and time at which a hearing shall be conducted by DSO for the purpose of determining whether or not service should be disconnected pursuant to these rules and regulations. The member shall also be notified of the member's right to be represented by counsel, to call witnesses on the member's behalf, to present evidence to the presiding agent at such hearing and to make such arguments as the member feels are appropriate for the purpose of determining whether 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 presiding officer shall be put in writing and shall be made a part of the records of DSO.

Provided proper notice has been given in accordance with these rules and regulations and the facts of the case merit disconnection, DSO may then discontinue the service, if it is appropriate under these rules and regulations.

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

Upon reconnection of electric service, except when disconnected pursuant to member's request, DSO shall require a Reconnect Fee, as filed in the Service Fees rate schedule.

Unless otherwise specified in the Service Agreement, in the event a member orders a disconnection and a reconnection of service at the same premises within a 12-month period, DSO shall collect the sum of such minimum bills as would have occurred during the period of disconnection, but in no event less than the Reconnect Fee, as filed in the Service Fees rate schedule.

Any Reconnect Fees and all other utility charges due shall be paid before service is restored, unless a payment arrangement has been established with DSO. These charges are in addition to any deposit that may be required by DSO before service is restored.

There is no charge to a prepaid account if the member accidentally lets the account drop below a \$0.00 balance.

SECTION 6 – MEMBER’S SERVICE OBLIGATIONS

A. MEMBER TO FURNISH RIGHT-OF-WAY

The member shall provide or procure for DSO, at no expense to DSO, such rights-of-way/easement (including permission to trim or remove any trees that may interfere with the operation of DSO’s facilities) as are satisfactory to DSO, across property owned or otherwise controlled by the member, for the construction, operation, and maintenance by DSO of its facilities necessary or incidental to the supplying of such electric service to the member directly or to other members.

B. ACCESS TO MEMBER’S PREMISES

The member shall give the duly authorized agents and employees of DSO full and free access to the premises of the member for the purpose of constructing, installing, inspecting, adjusting, repairing, maintaining, replacing, or removing any of DSO’s facilities on the premises of the member, reading meters, or for any purpose incidental to the electric service supplied by DSO, whether for the member’s interests or those of other members.

C. MEMBER’S INSTALLATION

Service entrances, switch boxes, service cabinets, switches, fuse blocks, conduit, wiring, connections and other equipment, and the installation thereof for the reception, use, and control of electric energy by the member shall be of the type approved by DSO and shall meet the requirements of the National Electric Safety Code (NESC) and comply with all state and local codes insofar as they apply.

All wiring, appliances, or equipment required to transform, control, regulate, or utilize beyond the point of delivery the electric service supplied by DSO that are furnished, installed, and maintained by the member shall be the sole responsibility of the member.

The member agrees to repair and replace, when necessary, all wires and appurtenances furnished by the member for reception and use of electric service in a safe condition and in compliance with the NESC and all state and municipal codes insofar as they apply.

D. PROTECTION OF MEMBER’S EQUIPMENT

The member shall be responsible for determining whether the member’s installation and all portions thereof are and shall be suitable for operation at the voltage, phase, and other characteristics of the class of service to be supplied by DSO.

The protection of the member’s equipment is the full responsibility of the member. Any member desiring protection against interruptions, phase failure, phase reversal, voltage variations, or other temporary irregularities or failure of part or all the electric service shall, at the member’s own expense, furnish on such member’s installation such protective equipment.

E. DANGEROUS OR DISTURBING USES

The member shall use the electric service supplied by DSO with due regard to the effect of such use on DSO’s electric service to its other members and on the facilities and equipment of DSO. DSO may refuse to supply electric service or may suspend electric service to a member, immediately, without notice under SECTION 5-A.1, if the member’s installation is in an unsafe or dangerous condition or is so designed or operated as to disturb or adversely affect the safety of the members or other persons, or the integrity of DSO’s delivery system.

F. INSPECTIONS AND RECOMMENDATIONS

The responsibility of the member regarding their use of the electric service supplied by DSO is not set aside, and DSO shall in no way be liable or responsible for any inspection or recommendation by DSO that is made as a courtesy to the member or as a protection to the electric service supplied by DSO to its other members. DSO reserves the right, but assumes no duty, to inspect the member's installation and facilities for suspected unsafe conditions.

G. DEFECTIVE MEMBER EQUIPMENT

Defective appliances or fixtures shall be disconnected immediately upon discovery of defectiveness and properly repaired before further use. Defective appliances or fixtures includes those that have been found by tests to be causing interference to radio, television, and like electronic equipment used by others. If electric energy is found to be escaping from any wires or equipment in or about the member's premises, then the member shall open the service switch immediately to shut off the flow of electric energy and notify DSO at once.

H. CONSTRUCTION OR USES AFFECTING COOPERATIVE'S EQUIPMENT

The following conditions apply to this SECTION 6-H:

1. Members shall consult with DSO before causing or permitting any construction that shall affect any of DSO's service facilities or equipment.
2. Members shall not, without written consent of DSO, enclose any exposed portion of service facilities, use any of the poles, wires, structures, or other facilities of DSO for fastening thereto, support, or any purpose whatsoever, nor shall members locate anything in such proximity to the aforesaid facilities of DSO as to cause, or be likely to cause, interference with the supply of electric service, or a dangerous condition.
3. The member shall be required to reimburse DSO for any costs due to a change in the location of meters, service lines, or other equipment made at the request of the member, or necessitated by the member's interference with DSO's facilities.
4. DSO reserves the right to remove, immediately and without notice, any unauthorized attachments to its facilities.
5. DSO's equipment shall be removed or relocated only by employees, agents, or authorized representatives of DSO.

Any infraction of this SECTION 6-H shall be sufficient cause for discontinuance of service.

I. PROTECTION OF DSO'S PROPERTY

The member always shall protect the property of DSO on the premises of the member and shall permit no person other than the employees and agents of DSO and other persons authorized by law to inspect, work on, open or otherwise handle the wires, meters, or other facilities of DSO. Any infraction of this rule shall be considered sufficient cause for discontinuance of service immediately, without notice under SECTION 5-A.1.

In case of loss or damage to the property of DSO on account of any carelessness, neglect, tampering, or misuse by the member, or the member's family members, or the member's agents, servants, or employees, then the member shall reimburse DSO for the cost of any necessary repairs or replacements of such facilities or the value of such facilities.

J. TAMPERING OR FRAUDULENT USE OF DSO'S FACILITIES

DSO may discontinue service to a member under SECTION 5-A.1 and remove its facilities from the member's premises in case evidence is found that any portion of DSO's facilities have been tampered with in such manner that the member may have received unmetered service or, in the event evidence of fraudulent use of electric service in any manner, including fraudulent meter reading, is discovered.

In cases of tampering or fraudulent use of DSO's facilities, DSO shall contact law enforcement officials. DSO may require the member to pay all bills, including a bill for such amount of electric service as DSO may estimate, from available information, to have been used, but not registered, by DSO's meter or otherwise fraudulently used, and to increase the amount of the member's cash security deposit or surety bond, or other credit arrangement, and pay all damages to DSO-owned equipment, if any, before electric service is restored. In addition, before service is restored, the member shall be required to bear all costs incurred by DSO for such protective equipment as, in the judgment of DSO, may be necessary and give satisfactory assurance that such tampering and fraudulent use of electric service shall be discontinued.

The existence of tampered connections, meters or devices that operate to cause diversion or fraudulent use of electric service, shall be taken as prima facie evidence of diversion of electric service by the member.

K. INDEMNITY TO DSO

The member shall indemnify, save harmless, and defend DSO 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 member at or on the member's side of the point of delivery.

The member shall indemnify, save harmless, and defend DSO 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 DSO's service lines or other necessary appurtenances to serve the member, unless the injury to persons or damage to property has been caused by willful default or negligence on the part of DSO.

L. PARALLEL OPERATION

No member shall operate or permit operation of electric generating equipment in parallel with electric service supplied by DSO, except as may be permitted under a special Service Agreement. Any infraction of this rule shall be sufficient cause for discontinuance.

M. CHARGES FOR WORK COMPLETED ON MEMBER'S PREMISES

DSO shall charge for all materials furnished and for all work done on the member's premises beyond the equipment owned and installed by DSO, for trouble calls not occasioned by negligence on the part of DSO, for repair of electric appliances, and any other work or service requested and authorized by the member. The charges shall be based upon DSO's existing schedule for such work. DSO shall not charge for replacement or repair of equipment furnished and owned by DSO on the member's premises except when repairs or replacement are caused by negligence or misuse by the member or the member's agents.

SECTION 7 – DSO’S SERVICE OBLIGATIONS

A. OVERHEAD SERVICE INSTALLATION

Installation of Service Wires to Pole

DSO shall install overhead service wires from the distribution pole line to a pole located on or adjacent to the member’s property. DSO shall designate the point at which the pole shall be located, and overhead service wires shall be brought to the poles for attachment to the member’s entrance wires. The pole and the meter equipment thereon shall be furnished in accordance with DSO’s procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by DSO. All service entrance wires and appurtenances thereto beyond this point shall be supplied and maintained by the member.

Installation of Service Wires to Building

Under exceptional conditions DSO may elect to install overhead service wires from the distribution pole lines to the exterior of one of the member’s buildings. DSO shall designate the point to which its service wires shall be brought on the exterior of the building for attachment to the member’s service entrance wires. Metering equipment attached to the building shall be furnished in accordance with DSO’s procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances, by DSO. All service wires and appurtenances thereto beyond this point shall be supplied and maintained by the member.

B. UNDERGROUND SERVICE INSTALLATION

DSO shall determine those areas where underground electric facilities shall be furnished.

A member desiring existing overhead electric facilities be replaced by underground facilities, shall pay DSO’s total cost of the conversion, less material salvage, if any.

If a member desires underground electric facilities where DSO has determined that overhead facilities should be used, then DSO shall install underground service (provided there is no safety or legal impediment) and the member shall pay the total installation cost.

Any member desiring underground service to the member’s building shall furnish and install, at the member’s expense, the necessary conduit, master breaker, or main fuse disconnects, underground wires and appurtenances at the point of delivery located on or adjacent to the member’s premises, and all wires and appurtenances to be installed beyond this point of service.

Where underground service is installed, the pole and meter equipment thereon shall be furnished in accordance with DSO’s procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by DSO.

DSO reserves the right to replace worn, broken, aged, or faulty underground facilities with overhead facilities. If a member(s) desires DSO not to replace underground facilities with overhead facilities, then that member(s) shall pay the total cost differential between DSO’s cost to construct overhead facilities and DSO’s cost to replace underground facilities. DSO may require a deposit on such construction.

C. ENERGIZING BY DSO ONLY

Only authorized DSO employees shall energize DSO’s facilities. Any infraction of this rule shall be sufficient cause for discontinuance of service.

D. DELIVERY OF ELECTRIC SERVICE

The obligation of DSO to supply electric service shall be completed by the supplying such electric service at the member's point of delivery. The responsibility of DSO for the quality of service and operation of its facilities ends at the point of delivery.

The point of delivery at which electric energy is furnished to the member shall be DSO's meter on the member's premises, unless otherwise defined by the member's Service Agreement.

DSO shall not be liable for any loss, damage, or injury whatsoever caused by leakage, escape, or loss of electric energy after it has passed the point of delivery, nor for defects in the member's wiring, appliances, or equipment.

DSO shall be required only to furnish, install, and maintain one connection from its distribution facilities, service conductors from such connection to the member's point of delivery, and one meter installation to measure such electric service to the member for each class of service.

DSO shall not be obligated to supply electric service to a member for a portion of the electrical requirements on the premises of the member.

E. PROPERTY OF DSO

All facilities furnished and installed by DSO on the premises of the member for the supply of electric service to the member shall be and remain the exclusive property of DSO. All facilities on the premises of the member that are or become the property of DSO shall be operated and maintained by and at the expense of DSO, may be replaced by DSO at any time, and may be removed by DSO upon termination of the member's Service Agreement or upon discontinuance by DSO of electric service to the member for any reason.

F. CONTINUITY OF SERVICE

DSO shall 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 DSO 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 DSO's control.

G. CURTAILMENT, INTERRUPTION OR SUSPENSION OF SERVICE

DSO shall have the right to curtail (including voltage reduction), interrupt, or suspend electric service to the member as may be necessary for the inspection, maintenance, alteration, change, replacement or repair of electric facilities, or for the preservation or restoration of its system operations or of operations on the part of the interconnected electric systems of which DSO's system is a part or as directed by any federal, state, or municipal authority.

H. RESTORATION OF SERVICE

In all cases of curtailment, irregularity, interruption, or suspension of service, DSO shall make every reasonable effort to restore service without necessary delay. Labor disturbances affecting DSO or involving employees of DSO may be resolved by DSO at its sole discretion.

DSO shall not be considered in default of the Service Agreement with the member and shall not otherwise be liable for any damage occasioned by any curtailment, irregularity, interruption, or

suspension of electric service. The member shall not be relieved from charges provided for in the Service Agreement and rate schedules because of curtailment, irregularity, interruption, or suspension of electric service.

I. LIABILITY OF COOPERATIVE

DSO shall not be considered in default of the Service Agreement and shall not otherwise be liable on account of any failure by DSO 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 DSO’s system is interconnected, act of God or public enemy, strike, or other labor disturbance involving DSO or the member, civil, military, or governmental authority, or any cause beyond the control of DSO.

SECTION 8 – LINE EXTENSIONS

A. GENERAL PROVISIONS

DSO reserves the right to refuse service to any load or location determined to be detrimental to DSO’s distribution and/or transmission system.

B. SERVICE SIZING, VOLTAGE AND PHASING

DSO shall select the appropriate service rate class based on the end use and nature of that service. Each applicant is responsible for selection of service voltage, capacity, number of phases, and other characteristics that best suit the requirements for the end use intended. The following table lists the standard voltages and capacities offered by DSO:

TYPE	VOLTAGE	AMPERAGE
Single-Phase	120/240 V	100 or 200
Single-Phase	240/480 V	100 or 200
Three-Phase	120/208 V - Four wire grounded wye	As required by service
Three-Phase	277/480 V - Four wire grounded wye	As required by service
Three-Phase	120/240 V - Four wire delta	As required by service
Three-Phase	240/480 V - Open wye delta	As required by service

Service other than standard secondary voltages may be provided upon special request by the applicant. It shall be the responsibility of the applicant to pay for special equipment needed to supply non-standard secondary voltages or regulate voltages closer than standard service provides.

Any service different from the above shall require an engineering review and a special service agreement with the applicant under terms that may materially differ from this policy.

Line extensions to serve large commercial and industrial facilities shall require an administrative review and a special service agreement with the applicant.

The point at which DSO shall connect the new extension to existing facilities is the sole responsibility of DSO and shall be based on DSO’s engineering design practices.

C. OWNERSHIP OF PRIMARY AND SECONDARY FACILITIES

All primary distribution facilities (transformers, poles, conductor, meters, etc.) shall remain the property of DSO. The point of demarcation for secondary distribution facilities shall be the bottom of the meter (with some exceptions), unless otherwise defined by contract. The applicant shall own facilities beyond the point of demarcation and shall be responsible for installation.

D. APPLICATION AND ENGINEERING DEPOSIT

When a member or prospective member requests an estimate for a line extension, relocation, and/or an upgrade, DSO shall provide an estimate over the phone or via email at no cost to the member or prospective member.

Prior to performing any engineering on a potential a line extension, relocation, and/or an upgrade, DSO requires a completed service agreement (if applicable) and engineering deposit of \$500.00 must be submitted to DSO.

The engineering deposit shall be applied toward the total cost of the line construction or toward any balance due to DSO. DSO reserves the right to request additional engineering funds if the project design costs overrun the set deposit amount. In the event the applicant cancels the line extension project or the project is inactive for longer than 18 months from the date of original application, DSO shall close the work order and the engineering deposit shall be credited against the accumulated costs of the project.

If the applicant requests that the project continue past 18 months, then DSO may request additional engineering deposit funds. DSO reserves the right to determine the status of projects. It is the responsibility of the applicant to keep DSO informed about the project if on hold.

E. FIELD SURVEY, DESIGN AND COST ESTIMATE

Before constructing facilities to provide electric service to an applicant, a DSO representative shall meet with the applicant for a field survey. DSO's representative shall determine the appropriate line extension design in conjunction with the applicant and stake the project, if applicable. Subsequent field visits and design may be required, as deemed necessary by DSO. DSO shall develop a cost estimate for the project based upon the current year's construction prices, less any credits. The estimated cost is the total cost of all construction, including labor and materials, engineering, overheads and all other costs directly attributable to the extension. The net cost estimate shall be paid by the applicant prior to scheduling construction of the project.

If line extension construction encounters unforeseen conditions (e.g., rock, water, frost, etc.), then DSO may require additional funds. DSO bears the sole discretion to determine what shall be required of the applicant.

If more than one applicant (group) requests service on the same line extension, then a cost estimate shall be provided to the group showing the amount that is to be shared by that group. If requested by the group, then the total cost estimate can be split into individual cost summaries; however, additional engineering deposit fees may be assessed for this cost division. Otherwise, it is the responsibility of the group to determine each participant's share of the costs. If construction of a project is delayed into a succeeding year or years, then the cost estimate shall be revised by DSO to reflect the most current construction year's pricing and additional

funds may be secured from the applicant. DSO reserves the right to waive cost adjusting if special conditions or situations apply.

F. LINE EXTENSION AGREEMENT

Prior to the start of construction, DSO shall provide a Line Extension Agreement (formerly referred to as Exhibit A) to be signed by the applicant. These documents outline, and are not limited to, the service location(s), the type of service and facilities being provided, the project costs, and any other special arrangements as agreed to by the applicant and DSO.

G. SERVICE DISCONNECT

All electrical services shall have a service disconnect installed at the point of demarcation, or at a location specified/approved by DSO. Unless otherwise approved by DSO, DSO shall install such device and include the cost of the device and the installation cost in the amount charged to the applicant. Should the applicant make an election to install the service disconnect, the installation shall be completed prior to DSO energizing the meter.

H. UNDERGROUND LINE EXTENSIONS

The applicant shall be required to provide, at no cost to DSO, all required excavation, bedding materials, backfill and compaction of trenches, and cleanup/restoration of disturbed ground.

I. SERVICE FROM PRIOR EXTENSION

Applicants desiring service from a prior extension less than three years old, which was paid for by another member, shall pay their proportionate share of that prior extension. This amount shall be paid by the applicant to DSO. DSO, in turn, shall then forward/credit the amount to the original member. This payment by the applicant is in addition to any contributions required under SECTION 8.

Likewise, members who paid for a line extension may be eligible for a refund when another member later connects to that line for service. Only the original member(s) who contributed to the line extension may receive the refund. Such refunds are subject to the following:

1. A change of property or facility ownership shall not qualify for a refund.
2. The member(s) who paid for the original line extension shall be responsible to request a refund.
3. The refund applies only to primary line facilities.

J. PERMITS AND EXTERNAL FEES

If permits are required by an outside agency, then those fees shall be in addition to the line extension costs and may be requested at the time of application or any time during the design process. Such fees are the full responsibility of the applicant.

K. CAPACITY FEE

All applicants shall be charged a Capacity Fee, as filed in the Service Fees rate schedule, in addition to any line extension charges. This one-time fee shall be based on the nameplate kV of the transformer.

For members upgrading/downgrading service, Capacity Fees shall be applied as follows:

1. If the member paid a Capacity Fee when service was installed and now wishes to upgrade/downgrade service, then the member shall be charged/receive credit for the difference between the original Capacity Fee paid by the member and the newly computed Capacity Fee.
2. If a member did not pay a Capacity Fee when service was installed and now wishes to upgrade service, then the member shall be charged an incremental Capacity Fee (Capacity Fee for the new transformer – Capacity Fee for the existing transformer).
3. If the member did not pay a Capacity Fee when service was installed and now wishes to downgrade service, then the member shall not receive a Capacity Fee credit for a downgrade in service.

L. **EASEMENT**

For all line extension projects, DSO shall secure easements for the purpose of constructing, servicing, repairing, adding circuits, and replacing of DSO lines necessary to provide service to DSO membership and to others who enter into agreements for electric service from DSO. Easements shall be required of all land owners upon which the line extension encroaches. Easements shall be recorded at the respective county courthouse by DSO. Easements are a required part of membership in DSO. All costs related to the acquisition of the easement(s) shall be the full responsibility of the applicant.

M. **RIGHT-OF-WAY CLEARING**

Clearing of all right-of-way required for the line extension is the sole responsibility of the applicant. All right-of-way shall be cleared to a minimum of 10 feet each side of center (Rural Utility Service specification), which shall be communicated by DSO to the applicant. DSO may contribute all or a portion of the right-of-way clearing labor and/or costs if the line extension can be deemed a backbone distribution line.

N. **TEMPORARY SERVICE**

An applicant requesting temporary service (not to exceed 18 months) shall be required to pay in advance the estimated cost of equipment, plus installation and removal expenses, less the estimated salvage value. The removal expenses shall be estimated based on the specific equipment and installation used for the applicant and the most current standard labor cost estimates.

O. **CONVERSION OF TEMPORARY SERVICE TO PERMANENT**

If service has been installed at a temporary location, then the member may request it be converted to a permanent service. The cost of the service shall be recalculated. Excess money already paid shall be refunded to the member. In addition, the member shall be required to pay all costs associated with making the conversion to permanent service, independent of any refund.

P. **SERVICE UPGRADES**

Members requesting service upgrades shall be considered on a case-by-case basis. The member shall be responsible for the upgrade costs, as determined by DSO.

The following shall apply to all upgrades:

1. It shall be the responsibility of the member or authorized contractor to provide DSO with the estimated increase in electrical load from the service upgrade.
2. DSO shall require that 100% of the cost of the service upgrade be paid in advance.

Q. **SERVICE DOWNGRADES**

Members requesting downgrades (reduction in service size and/or transformer capacity) shall contact DSO. An engineering review shall be required to determine the appropriate transformer capacity needed. DSO, at its discretion, may remove existing transformers and replace them with the newly sized units. If DSO deems it more beneficial to leave the existing transformers in place, the member billing may only be changed to reflect the service downgrade. In this case, if the member's monthly billing demand exceeds the transformer capacity twice in a twelve month period, then the installed transformer capacity for billing will be increased. If the member requesting a downgrade, at any time in the future, requests an upgrade in capacity, then they may be required to pay 100% of the upgrade.

R. **RELOCATION OR CHANGES**

A member requesting relocation or changes to existing DSO facilities, other than for service upgrades, shall pay all costs incurred by DSO to complete the relocation or change. The member must provide a satisfactory easement for the new facilities and pay in advance the estimated cost of the relocation or change.

S. **RENTAL LIGHTS**

Upon a member's request, DSO shall install and maintain lights in accordance with the "Private Area Lighting" rate schedule. If a member requests installation of the light on something other than an existing DSO-owned pole, then the member shall be required to pay for the installation. DSO retains the right to remove a rental light if it is vandalized.

T. **PUBLIC STREET LIGHTING**

Street lighting service is available to all city, town, village, county and state governmental entities and shall be installed only after the appropriate installation and billing authorization is received by DSO in writing or via telephone. All lighting service shall be provided and billed under the applicable rate schedule. DSO shall install, own and maintain the street lighting systems unless otherwise stated in the applicable rate schedule. Only DSO-specified standard street lighting components shall be used in installations.

U. **HIGH VOLTAGE SERVICE**

DSO shall provide high voltage service under certain conditions. High voltage service shall require an engineering review and a special service agreement with the applicant under terms that may materially differ from this policy.

V. **SERVICE TO MOTOR LOADS**

Motors with a nameplate rating of less than 11 horsepower (hp) may be served with single-phase service without an engineering analysis. Motors of 11-25 hp shall require an engineering analysis prior to being allowed to operate on single-phase service. Motors greater than 25 hp shall be served with three-phase service. DSO may require the member to install, at the member's expense, reduced voltage starting equipment and/or capacitors where across-the-line

starting would cause excessive voltage disturbances. DSO reserves the right to waive these requirements based on an engineering study.

W. DEVELOPMENTS AND SUBDIVISIONS

Developer(s) requesting line extension(s) for a development or subdivision shall be required to make a construction deposit representing the full cost of installing the required facilities (labor, overhead and material). The remaining construction deposit, less any cost for common facilities such as street lights, lift stations, park facilities, etc., shall be refunded on a per unit basis as homes are built. No refund shall be paid after a period of five years from the time when service is first made available. All costs associated with individual services to lots and facilities shall require individual applications and shall be calculated separately from the cost of the development. These costs shall be the responsibility of the member and treated as individual line extensions.

X. CONTRACTUAL GUARANTEE OF REVENUE

DSO may require a contractual guarantee of sufficient revenues in order to obtain assurances that DSO shall be reimbursed for all expenses and margins associated with services involving the construction of large or specially-designed installations or services requiring special or unconventional construction techniques. Such guarantees may be provided for under an agreement for purchase of power or other special contract.

Y. SPECIAL CONTRACTS FOR SERVICE

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 DSO, the revenue to be derived from, or the duration of the prospective business is not sufficient under the above stated monthly member charge to warrant the investment, DSO may require any one or more of the following of the member before construction of equipment or facilities to supply service:

1. An adequate monthly member charge calculated upon reasonable considerations; or
2. A cash contribution in advance; or
3. An acceptable guarantee or bond.

In such cases, the member shall enter into a written contract with DSO as to character, amount, and duration of the business offered.

SECTION 9 – METERING

A. METERING OF SERVICE

DSO shall furnish and install all metering installations in accordance with DSO's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances.

B. SEPARATE METERING

Where DSO's rate schedules provide for separate metering of different classes of service, the member's wiring shall be so arranged that each class of service can be metered separately. Not more than one set of service wires shall be run to one building or premises for each class of service furnished to the member.

C. **MULTI-METERING INSTALLATIONS**

DSO shall eliminate, on a prospective basis, the practice of providing electric service to more than one member in a multiple residential complex through a single metering point. Separate applications for electric service shall be made and separate meters installed for each dwelling unit within a multiple residential complex. The meters shall be connected to one set of service wires, providing the service wires are of sufficient size to furnish an ample supply to all members. The member's wiring shall be so arranged as to permit the installation of DSO's meters immediately adjacent to each other.

Through special permission of DSO, multiple residential complexes may be served through one meter where energy savings can be achieved through the use of energy systems that require master metering.

D. **CHANGES IN METER INSTALLATIONS**

Changes requested by DSO that involve the replacement or relocation of DSO's service wires, metering equipment, yard poles, guys and anchors, etc., shall be provided at DSO's expense.

Changes requested by the member that involve the replacement or relocation of DSO's service wires, metering equipment, yard poles, guys and anchors, etc., shall be provided at the member's expense.

E. **METER SEALS**

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

F. **WATT-HOUR METER ERROR TEST**

Whenever any test by DSO of a watt-hour meter, while in service or on its removal from service, shows such meter to have an average error of more than two percent fast or slow, then the following provisions for the adjustment of the electric service bill shall be observed:

1. The error found shall be considered, for the purpose of these rules and regulations, 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.
2. If the meter is found to be faster than allowable, then DSO shall refund to the member any overcharge during the period inaccuracy of the meter as defined above. The actual error of the meter, and not the difference between the allowable error and the error of the meter as found, shall be used as the basis for calculating the refund.
3. If the meter is found to under-register, then DSO may render a bill to the member concerned for the estimated consumption not covered by bills previously rendered during the period of inaccuracy, as defined in the preceding paragraphs. Such action may be taken, however, only in cases where the bill for estimated inaccuracy amounts to one dollar (\$1.00) or more, and all such bills shall be conditional upon DSO's not being at fault for allowing the inaccurate meter to remain in service. DSO 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.

G. DEMAND METER ERROR TEST

Whenever any tests by DSO of a demand meter, while in service or on its removal from service, shows such meter to be more than two percent in error, then 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, then 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. METER TESTS

In the event a member requests DSO to test a meter, then DSO shall conduct a meter test and present the test results to the member. If the meter is found to be accurate (see SECTION 9-F), then the member shall be charged a Trip Fee, as filed in the Service Fees rate schedule. If the meter is found to be inaccurate, then the meter shall be replaced, the member shall not be charged a Trip Fee, and the member will be credited/billed for the meter's inaccuracy, as explained in SECTION 9-F.

If the member requests a meter test be conducted by an independent test laboratory, then the meter shall be replaced, and a Meter Test Fee, as filed in the Service Fees rate schedule, shall be required. If the meter is found to be accurate, then the Meter Test Fee shall be retained in order to help defray DSO's expense in testing the meter and the member shall be charged a Trip Fee, as filed in the Service Fees rate schedule. If the meter is found to be inaccurate, then the member shall not be charged a Trip Fee, and the member will be credited/billed for the meter's inaccuracy, as explained in SECTION 9-F.

SECTION 10 – GENERAL CLAUSES

A. WAIVER

Any waiver by DSO with respect to any default by a member in complying with the provisions of the Service Agreement and these rules and regulations shall not be deemed to be a waiver with respect to any other or subsequent default by such member.

B. LEGAL NOTICES BETWEEN MEMBER AND DSO

All notices addressed to DSO 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 DSO, it is done for the convenience of the member and at the member's risk. DSO is not responsible for error, delay, or expense resulting from such procedure, but DSO shall exercise reasonable diligence in carrying out telephone communications from the member.

C. AUTHORITY AND WAIVER

The requirements contained in these rules and regulations may be waived in individual cases by the board upon written request by the member and a showing that compliance with the requirement would serve the interests of neither DSO nor the member. No representative, agent, or employee of DSO shall otherwise have the authority to amend, modify, alter, or waive any of DSO's rules and regulations or bind DSO by promises or representations without board approval.

D. REQUEST FOR INVESTIGATION OR COMPLAINT

If a member has an issue/complaint that DSO staff has not resolved to the member's satisfaction, then the member may bring the issue/complaint before the board. The member may provide the issue/complaint in writing or the member may choose to present the issue/complaint before the board in person or through a representative. The board shall then consider what, if any, action should be taken on the member's issue/complaint. The member shall be notified once a board decision has been made.