

**CENTRAL VIRGINIA
ELECTRIC COOPERATIVE
800 COOPERATIVE WAY
ARRINGTON, VA 22922**

**TERMS AND CONDITIONS
for
PROVIDING DISTRIBUTION SERVICE**

*As filed with the
Virginia State Corporation Commission*

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I. INTRODUCTION

This filing sets forth the terms and conditions under which Distribution Service is supplied to its Members/Customers by Central Virginia Electric Cooperative within the designated service territory and is on file with the Virginia State Corporation Commission. Changes in these terms and conditions may be made with the approval of the Virginia State Corporation Commission from time to time to meet new or unforeseen conditions. The rules and regulations contained herein are not to be considered complete in every detail for furnishing Distribution Service, but are intended to be a general outline of the practices of the Cooperative.

The Cooperative, upon request, will provide any Applicant or Member with a copy of the rate schedules and terms and conditions under which Distribution Service will be supplied.

II. DEFINITIONS

Applicant - any person, firm, corporation or public body requesting electric distribution service from the Cooperative.

Commission - the Virginia State Corporation Commission.

Customer - any Member and/or patron of the Cooperative receiving, or having received, Distribution Service.

Delivery Point – the point where the Cooperative’s equipment for supplying electric energy is connected to the Members’ equipment for receiving the electric energy, unless otherwise specified in a written agreement with the Member.

Distribution Service – the transfer of electric energy through a distribution system to a Customer.

Inspection Authority – the authorized representative of any federal, state, local government, agency or political subdivision having lawful authority to enforce federal, state or local building codes.

Member -any person, firm, corporation or public body who has complied with the terms and conditions of service, the rules and regulations of the Cooperative, and whose application for membership has been accepted by the Cooperative and is being supplied Distribution Service by the Cooperative.

Central Virginia Electric Cooperative - a Cooperative corporation operating under the Utility Customer Services Cooperative Act.

III. BECOMING A MEMBER

Any person, firm, corporation or public body who controls the property to be served may become a Member of the Cooperative by:

- Executing the Membership Application and/or Service Contract.
- Agreeing to purchase Distribution Service from the Cooperative.
- Agreeing to comply with and be bound by the Certificate of Incorporation of the Cooperative, and the Bylaws and any Amendments thereto and such rules and regulations that may be adopted from time to time by the Board of Directors.

IV. REQUIREMENTS FOR SECURING DISTRIBUTION SERVICE

A. Application or Agreement

No person shall receive distribution service until they have signed the Cooperative's approved form "Application for Membership" or application for the purchase of Distribution Service. A non-refundable service connection fee of \$25.00 shall be charged for setting up an account whether the account is new, reconnected or transferred. Any person or entity owing a debt to the Cooperative shall not be allowed to join in the Cooperative or receive service from the Cooperative until the debt has been paid in full or arrangements satisfactory to the Cooperative have been made for the satisfaction of the outstanding debt.

The Applicant must contact the Cooperative before service will be made available. Under certain conditions, the Cooperative may require the Applicant to sign a contract or a letter of agreement where the monthly minimum is higher than specified under the applicable rate schedule. Whether or not a written agreement covering the supply of distribution service is executed, the Applicant, by accepting distribution service, agrees to be bound by the applicable rates, terms and conditions of service.

The Cooperative reserves the right to require the Applicant to establish that the Applicant is the owner or bona fide lessee of the premises and to require owners and bona fide lessees to execute the "Application for Membership" or application for the purchase of Distribution Service.

B. Deposits

1. The Cooperative may require the Applicant or Customer to deposit with it, initially and from time to time, as a guarantee of payment for distribution service used, such amount as, in the Cooperative's judgment, will secure it from loss. The amount of the deposit shall not exceed the equivalent of the Customer's estimated maximum liability for two consecutive months' usage.

The Cooperative is not bound to supply distribution service until these conditions are fulfilled and it may disconnect with ten days written notice to the Customer if the guarantee or increased guarantee is not given when required.

2. Whenever the required deposit from any residential Customer exceeds the sum of \$75.00, the Customer shall be permitted to pay the required deposit in three consecutive equal monthly installments provided, however, that the Cooperative shall have the discretion to allow payment of any deposit over a longer period of time to avoid undue hardship.
3. The Cooperative will pay interest on deposits held longer than ninety days at a rate which shall be determined annually by the Commission.
4. The Customer shall receive payment of all annually accrued interest by having the interest credited to the account. Should the Customer elect to have this interest paid directly, the Customer should advise the Cooperative prior to the end of the eleventh month.
5. The deposit shall be returned to residential Customers after a one-year period and other Customers after a two-year period providing the Customer has paid his or her account in a timely manner.
6. All remaining deposits plus earned interest will be returned to the Customer at the termination of Distribution Service after all indebtedness to the Cooperative has been paid. The Cooperative shall have a reasonable time to disconnect service and to ascertain that all obligations of the Customer have been fully performed before being required to return any deposit.
7. Additional deposits may be required resulting from Customer damage to Cooperative equipment as outlined in IX.C (Meter Tampering, Current Diversion or Unauthorized Reconnection).

C. Fees

The Applicant shall pay all other required fees and charges, as per SCHEDULE F – FEES.

D. Rate Schedule Selection

When a Customer's load meets the conditions of two or more schedules, the Customer shall be responsible for the choice of the schedule. The Cooperative will assist in the selection at the Customer's request. However, except as provided by law, the responsibility of selection shall rest with the Customer.

E. Right-of-Way

The Cooperative shall determine the route of the line based on the least cost method and utility accepted routing practice. The Applicant shall, at no cost to the Cooperative, grant all valid right-of-way easements satisfactory to the Cooperative and all other permits necessary to provide Distribution Service to the Customer conveyed on Cooperative approved forms. The Applicant shall give the Cooperative or its agents access to its equipment and facilities, and the right to construct, operate and maintain its facilities. The Cooperative shall not be required to supply distribution service until a reasonable time has elapsed after the Cooperative has obtained all necessary applications, right-of-way easements and/or permits.

F. Customer Wiring

The wiring must conform to the National Electric Code and the specifications of the Cooperative. Before connection of service, if covered by the local building code, the Applicant's installation must be approved by the inspection authority. In no event shall the Cooperative be under any obligation to inspect wiring or appliances of the Applicant, but where the Cooperative has reason to believe wiring or appliances of the Applicant do not comply with recognized requirements, the Cooperative may refuse to supply distribution service to the Applicant. It is recommended that in the installation of a wiring system, the Customer give consideration to all foreseeable future uses and install service entrance conductors and equipment of such capacity as to carry the maximum anticipated future load. The Customer shall be responsible for notifying the Cooperative of any plans for adding appliances, equipment and/or motors that might overload or impair the electrical service or the facilities of the Cooperative.

G. Distribution Service Limitations

To reduce the possibility of error or loss, the Applicant or Customer, before purchasing motors or other equipment or undertaking to install wiring, shall secure from the Cooperative all necessary data relating to the characteristics of the electricity which will be supplied. The Cooperative reserves the right to set limitations on inrush current characteristics, demand, power factor or any other characteristic of motors, wiring or any other equipment in order to protect the quality, reliability and/or safety of its system and/or the service to other Customers.

H. Location and Maintenance of the Cooperative's Equipment

Outside of the easement, the Cooperative shall have the right to place, access and maintain its facilities on the property of the Applicant which are necessary in

supplying distribution service to the Applicant. The Applicant shall provide suitable space for the installation of all necessary facilities.

V. USE OF ELECTRIC DISTRIBUTION SERVICE

A. Cooperative as Sole Distributor

The Applicant or Customer agrees that no electricity, other than that distributed by the Cooperative, shall be distributed over the Cooperative's distribution facilities to operate the Applicant's or Customer's equipment without previous written notice to and consent of the Cooperative.

B. Notification and Approval of Unusual Equipment Added by Customer

The Customer shall notify and obtain the consent of the Cooperative before the addition of any unusual equipment or appliances. Such unusual equipment includes, but is not limited to: single phase motors over ten horsepower, three phase motors, generators, automated process equipment and welders. The Cooperative reserves the right to charge for any in-depth studies required to determine the effect of the apparatus on the Cooperative's system. The Cooperative reserves the right to refuse to supply Distribution Service to any piece of equipment whose operation is considered to be a safety hazard or detrimental to the Cooperative's distribution system or any of its Customers. Furthermore, the Cooperative reserves the right to discontinue distribution service to any Customer operating such equipment until such time as the Customer conforms to the Cooperative's regulations.

C. Customer Generating Equipment

1. Interconnection

- a. A switch, or other approved disconnecting means, must be installed to prevent possible injury. Such installation is subject to the inspection and approval of the Cooperative.
- b. Detailed plans showing the equipment to be used, including the load transfer arrangement and the electrical connections, shall be submitted to the Cooperative for approval.
- c. Where auxiliary service is provided by the Cooperative, or where an emergency source of supply is provided by the Customer, parallel operation of the Customer's generating equipment with the Cooperative's system is not allowed except where specifically approved by the Cooperative.

2. Co-Generation and Small Power Production Facilities

Any qualifying co-generation or small power production facility, as designated by the Federal Energy Regulatory Commission (FERC), shall be dealt with in accordance with applicable FERC orders and legal and regulatory standards.

3. Net Metering Customer

Any qualifying net metering customer, as designated by Virginia Code § 56-594, shall be dealt with in accordance with applicable legal and regulatory State standards (Rate Rider NM – Net Energy Metering Rider).

D. Suitability of Apparatus to be Added

The Cooperative reserves the right, but shall not have the duty, to determine the suitability of apparatus or appliances to be connected to its lines, and to determine whether the operation of such shall be detrimental to its Distribution Service. The Cooperative further reserves the right to refuse to supply, or to continue to supply, Distribution Service until such time as the Customer shall conform to the Cooperative's regulations.

E. Distribution Service for Customer's Use Only

The Cooperative will furnish Distribution Service to the Customer for use only for the premises occupied through ownership or lease by the Customer. Individual connections may not be grouped through a single meter unless the Cooperative specifically agrees in writing to such a wiring arrangement prior to the time the Cooperative's facilities are installed. It is not permissible for two residents, or a store and residence, a residence and trailer – home or a combination of these to receive service through one meter. Neither is it permissible for school and church, a residence and tenant house, garage and store or any two separate commercial enterprises regardless of ownership, operation or classification to receive service through one meter. Any customer found to have any such unauthorized connection will be promptly notified in writing that separate metering equipment must be installed and the higher of the applicable commercial rates will be applied to the services until the condition is corrected. This service shall not be re-metered, submetered, or otherwise controlled by the Customer for resale or assignment to others, except as provided by the Code of Virginia.

F. Liability of Cooperative

The electricity supplied under any agreement is distributed by the Cooperative and purchased by the Customer upon the express condition that, after it passes the metering equipment of the Cooperative, or other point of delivery, it becomes

the responsibility of the Customer to be used only as herein provided. The Cooperative shall not, in any event, be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electricity on the Customer's premises or elsewhere, after it passes the Cooperative's metering equipment, or other point of delivery; or for any loss or damage resulting from the presence, character or condition of the wires or appliances of the Customer.

G. Interruption of Service

The Cooperative will endeavor to maintain, as nearly as practical, full continuity of service, but it cannot guarantee uninterrupted service. It is the Customer's responsibility to provide protection for all electric motors, apparatus, wiring and other equipment from the effects of unavoidable interruption or abnormal service supply conditions, such as low voltage, high voltage, single-phasing, lightning damage or frequency change. The Cooperative will not be held responsible for losses experienced by the Customer due to the failure to provide such protection. Without liability to the Cooperative, Distribution Service may be interrupted or become abnormal because of any of the following causes:

1. Storms, accidents, equipment failure or acts of God.
2. Failure of power supplier, shortage in power supplies or capacity necessitating reduction in service or the implementation of rotating blackouts. When rotating blackouts are required, the Cooperative may, without notice and without incurring liability, implement them on the basis of what is, in the Cooperative's opinion, reasonably necessary to minimize adverse impact on the public health and safety and to facilitate restoration of normal service to all Customers at the earliest time practical.
3. An adverse condition or disturbance on the system of the Cooperative, or on any other system directly or indirectly interconnected with it, which requires automatic or manual interruption of the supply of electricity to some Customers or areas in order to limit the extent or duration of the adverse condition or disturbance, or to prevent damage to generation or transmission facilities, or to expedite restoration of service.
4. By order of governmental authorities, strikes or other labor trouble.
5. To make repairs, to limit or reduce the duration of interruptions, or to prevent damage to the Customer's or the Cooperative's equipment.
6. Civil disorder, fire or any other cause where the Cooperative believes it is necessary to de-energize part of its facilities for the protection of the public, its employees, or its electric system.

Upon correction of conditions that caused the interruption, the Cooperative will be diligent in re-energizing its facilities when it is safe to do so.

H. Customer's Responsibility

1. Upon any interruption of service, or any abnormal service, the Customer should notify the Cooperative as soon as possible. The Cooperative, in most cases, has no other way of knowing of interrupted or abnormal service.
2. The Customer shall be responsible for providing the Cooperative and/or its agent access to the Cooperative property installed on the Customer's premises.
3. The Customer shall be responsible at all times for the safekeeping of all Cooperative property installed on the Customer's premises, and to that end shall give no one except authorized Cooperative employees or its agents access to such property.
4. The Customer shall be liable for the cost of repairs or damages done to the Cooperative's property on the Customer's premises resulting from negligence or misuse by anyone other than the Cooperative's employees and/or its agents.
5. The Customer shall be responsible for the maintenance and repair of the Customer's wiring and equipment. Additionally, it is the Customer's responsibility to provide adequate protection for their equipment as defined in the National Electric Code. Should the Customer report trouble with the supply of electricity, the Cooperative will endeavor to respond with reasonable dispatch to such calls with the purpose of correcting only such trouble as may be in the Cooperative's equipment supplying said Customer. If after investigation it is determined that the Cooperative's equipment is not at fault, a service charge (SCHEDULE F - FEES) will be made.
6. The Cooperative retains responsibility only with respect to the actions of its employees and/or its agents in connection with property owned by the Cooperative.
7. The Customer shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs or expenses, for loss, damage, or injury to persons or property in any manner directly or indirectly arising from, connected with, or growing out of the use of electricity by the Customer at or on their side of the point of attachment.

VI. EXTENSION OF FACILITIES

A. General

When the Cooperative makes an investment for new services, it is made with the expectation that service will be permanent and the usage continuous. The installation should be so located and constructed such that the Cooperative could reasonably expect that if service is discontinued by one Customer it would be reconnected by another. The Cooperative will be under no obligation to maintain service to a non-revenue producing installation, and may remove such service without notification.

The Cooperative will provide to a Applicant a first estimate for service extension to the property without requiring a construction deposit. Where the Applicant does not possess a building permit, or where the Applicant does not own the property, the Cooperative will attempt to secure the necessary easements and provide one engineering estimate for service extension. In such case, a construction deposit will be required. The deposit amount will be based upon an estimate of the Cooperative's engineering expenses incurred for the proposed extension, but in no case be less than \$200.00. Such deposit will be held pending preliminary engineering studies and investigation. The deposit will be refunded if, within 180 days, service is being utilized by the Applicant. Should the Applicant not utilize service within 180 days after the completion of engineering studies and investigation, the deposit, less any costs incurred by the Cooperative in preparing the engineering studies and investigation, will be refunded to the Applicant.

In the case of residential dwellings, line extensions will not be provided unless permanent water and sewer facilities (water piped in and sewage piped out) are approved by local authorities. In addition, if the dwelling is a trailer or mobile home, the dwelling must be set on a permanent foundation before the Cooperative makes any investment or otherwise commits to extend service.

In any case, line extensions will not be provided until inspections have been received from the appropriate authorities.

B. Easements

The Cooperative will attempt to secure easements for new service extensions. Should the Cooperative be unable to obtain the necessary easements, the Applicant will secure or assist the Cooperative in securing the required easements. All efforts by the Applicant to secure easements are subject to verification by the Cooperative. In the event that the Applicant and Cooperative are unable, after making reasonable efforts, to secure easements for the originally designated route, the Applicant will secure or assist the Cooperative in securing easements for an alternate route.

The Cooperative will be under no obligation to construct lines in the event that necessary easements cannot be so obtained or secured.

C. Routing of Lines

The Cooperative will select the route along which the line will be constructed so the Cooperative can most efficiently operate and maintain its system with minimum cost to its Customers and in a manner that enhances the probability that the line constructed will be readily available to future Customers along the route. Should the Applicant request and the Cooperative agree to construct the line along a longer route other than that selected by the Cooperative, then the Applicant will pay the Cooperative the difference in footage of the two routes using standard unit costs to determine the amount of payment.

D. Standard Unit Costs

Unless otherwise stated, the costs of line extensions to be paid by the Applicant will be determined by the standard unit costs of construction units required. The standard unit cost of a construction unit will be the average unit cost of the construction unit based on the Cooperative's most recently calculated twelve month period and will include materials, labor and overheads.

E. Temporary Service

For residential and general service, the Cooperative may connect a temporary service, which is not part of the permanent service, if the Applicant furnishes and installs all necessary materials. Applicant-furnished materials for the temporary service and the location of the temporary service will be subject to approval by the Cooperative.

If temporary service is required prior to starting construction, it may be connected, provided the Applicant pays all costs involved in extending Cooperative's facilities. If permanent service is provided within 180 days without the Cooperative having to adjust its previously installed facilities, a refund may be issued according to the limits of the line extension policy.

If the Cooperative makes an investment and a residence is not completed within twelve months, then the Applicant will be liable for the entire cost of the extension.

In all other cases, the Applicant will pay the total cost of connecting and disconnecting service. The Cooperative may require a deposit, in advance, for the full amount of the estimated bill for service including the cost of connection and disconnection.

F. Overhead Lines

Extensions will be built by the Cooperative in accordance with its construction standards and will be single phase unless the Cooperative elects to install two or three phase. All of the above General Provisions, namely : Easements, Routing of Lines, and Standard Unit Costs shall apply.

The Cooperative will extend its facilities to provide service to:

1. Residential Applicants who own the property. The maximum allowable footage for such extension at no charge will be up to 1,400 feet.
2. Other Applicants who guarantee a minimum monthly bill for the service so that thirty percent thereof will equal the investment in three years. This minimum monthly bill will be based on standard unit costs and shall not exceed the estimated billing at standard distribution rates to the particular Applicant.
3. Any Applicant who does not give adequate assurance that service will be of a continuing nature, or any Applicant as set forth in VI.F.2. above whose minimum bill exceeds the estimated billing at standard rates, may be required to prepay the entire cost. If the account is still connected after three years, the Cooperative will refund thirty percent of the billing in excess of the minimum charge required by the rate schedule under which the account is billed, up to the total amount paid, to the Applicant. Should the account be disconnected or transferred to another party prior to the end of the three years, there will be no refund.

Where the length of the extension exceeds the maximum allowed footage designated in VI.F.1. above, the Applicant shall pay a construction charge for the cost of excess footage. The cost of excess footage will be calculated on a standard unit cost per foot basis.

The Cooperative will refund the Applicant for future residential service extensions occurring within three years that are connected to the facilities constructed for the Applicant. This refund will be based on the difference between the maximum allowed footage and the actual extension length in feet multiplied by the original standard unit cost per foot, up to the total amount paid by the Applicant. There will be no refund if service is disconnected or transferred to another party.

G. Underground Lines

Underground lines will be built by the Cooperative in accordance with its construction standards and will be single phase unless the Cooperative elects to

install two or three phases. All of the above General Provisions, namely: Easements, Routing of Lines, and Standard Unit Costs shall apply.

1. Underground Secondary

The Cooperative will install underground secondary service to new individual residential dwellings having at least a 200 amp service entrance rating under the following terms and conditions:

- a. The underground secondary route from the riser pole or padmount transformer location to the meter base location will be specified by the Cooperative.
- b. Applicant shall furnish the ditch to a depth of thirty inches, free of debris, with suitable backfill approved by the Cooperative.
- c. Cooperative will provide and install secondary conductors from the riser pole or padmount transformer to the structure mounted meter base location.
- d. Service will not be installed in septic fields. Service will not be installed where mechanical digging cannot be done such as under sidewalks, porches, decks, state roads, streams, etc., except where the Customer provides and installs conduits acceptable to the Cooperative.
- e. Should Cooperative and Applicant not agree upon the location of the structure mounted meter base, the Cooperative will provide and install a meter base pedestal within five feet of the padmount transformer or pole to which Applicant will terminate Applicant-owned service conductors. In either case, Applicant will provide, install and maintain all service conductors from the meter base to the structure.

Should the Applicant request that an existing overhead service be converted to an underground service and the Cooperative determines that the existing overhead service is adequate, it may be converted to underground in accordance with VI.G.1.a. through VI.G.1.d. above, provided the Applicant pays the total standard unit costs of the conversion from overhead to underground service.

2. Underground Primary to Individual Applicant

When requested, the Cooperative may install underground primary facilities on private property to provide service to the Applicant. The Applicant will provide the ditch along a route specified by the Cooperative to a depth of thirty-six inches, free of debris, with suitable backfill approved by the Cooperative.

The charge for underground primary facilities will be the difference in standard unit costs of providing service with overhead facilities and of providing service with underground facilities, plus any charge which would have been required under VI.F., Overhead Lines. The Cooperative shall calculate the difference and require payment of such prior to construction.

H. Provisions for Providing Service to Lots in a Residential Development

The Cooperative's provisions for serving a residential development where service is requested prior to the construction of houses or buildings are as follows:

1. The Applicant will furnish a plat of the development and grant the Cooperative easements within the development according to Cooperative guidelines. The Cooperative will designate the existing distribution facilities from which the development will be served, and the Applicant will be required to secure the necessary easements along the service extension route from the existing distribution facilities to the development, per Cooperative guidelines.
2. The Cooperative will estimate the cost of constructing a line to serve the development using standard unit costs and the Applicant will pay to the Cooperative this estimated amount prior to construction. The Applicant will also agree to pay the actual cost of construction, should such exceed the estimate. If the cost is less, the Cooperative will refund the difference.
3. Houses built on lots in the development will be served under the terms contained in VI., Extension of Facilities set forth above. If within five years after the installation is made, a house is built on a lot in the development and the Cooperative provides service thereto by the installation of no more than 1,400 feet of additional line, the Cooperative will, within two months after permanent service is installed and a refund is requested, refund to the Applicant the difference in 1,400 feet and actual footage of the extension, multiplied by the average cost per foot for the line extension. The total refund available will be limited to the total amount paid by the Applicant.
4. There will be no refund under the following conditions:
 - a) For any house where the Cooperative has to build more than 1,400 feet of additional line to provide service on a lot.
 - b) For any house built on a lot where a refund has been made.

VII. BILLING AND PAYMENT FOR SERVICE

A. Bills

Bills will be rendered to the Customer by the Cooperative monthly. Bills will be computed using metered consumption based on applicable rates and fees on file and approved by the Commission.

The Cooperative has capped distribution, energy, metering and billing rates on file and approved by the Commission from January 1, 2001 through July 1, 2007. The Cooperative is allowed to discount its capped distribution and capped metering and billing rates to match its cost of providing these services using a discount factor calculation approved by the Commission.

The Cooperative shall annually file the Financial Status Statement, a statement required by the Rules Governing Streamlined Rate Proceedings and General Rate Proceedings for Electric Cooperatives, based on the previous calendar year's audited financial statements, with the State Corporation Commission by April 1 of each year. When the Cooperative's audited financial statements produce a Times Interest Earned Ratio (TIER) that falls within the Commission approved financial range of 1.75 to 2.25, the previous year's rate discount and rate schedules shall remain in effect. When the TIER of the Cooperative falls outside the approved range, an adjusted discount factor will be calculated and filed with the Commission along with new distribution, metering and billing rates to produce a TIER of 2.0, the midpoint of the approved range.

The Cooperative will prorate the bill when a Customer's service starts or is terminated.

B. Meter Readings

The rates of the Cooperative for Distribution Service are based on the condition that monthly meter readings shall be obtained. In the event a valid meter reading is not obtained prior to computing a bill, the Cooperative will use an estimated meter reading. An estimated meter reading will be used no more than two consecutive billing periods. In the event that the meter has failed and no valid meter reading is obtained, an estimated bill will be generated by the Cooperative using the best available information. The Cooperative may adjust estimated bills when actual information becomes available upon which to base the adjustment.

C. Terms of Payment/Collection

Bills will be due when presented. They shall be considered as presented when deposited in the United States mail for delivery or when otherwise delivered by the Cooperative to the address of the Customer. A bill shall become overdue if unpaid on the 20th day following the day it was presented. If payment has not

been received by the late payment date, a one and one-half percent penalty per month will be applied on the outstanding balance, less local government utility taxes. If it remains unpaid at the time the succeeding bill is delivered, a notice of intent to disconnect service shall be served upon the Customer, giving at least ten days prior notice. If the bill remains unpaid at the end of such ten-day notice period, Distribution Service to the premises of the Customer shall be subject to disconnection without further notice.

The Cooperative reserves the right to apply any payment or payments made in whole or in part to any account due the Cooperative by the Customer unless the Customer has instructed otherwise. However, the Cooperative may apply any payments in excess of the account specified to other accounts due the Cooperative by the Customer. Whenever payment made by check and/or other form of payment is not honored by the institution upon which the payment is drawn, a fee shall be charged for the returned payment in accordance with SCHEDULE F - FEES.

Whenever the Cooperative sends personnel to the Customer's location of service in an attempt to collect payment for an overdue bill, a fee will be charged in accordance with SCHEDULE F - FEES.

If the service is disconnected, the Customer must pay all past-due balances and all applicable fees, and arrange for applicable deposit before service will be restored.

Upon disconnection of service for any reason, the Customer shall be sent a final bill at the next regular billing cycle showing the outstanding amount owed after deducting all applicable credits.

D. Budget Billing Program

A Budget Billing Program will be available for permanent residential Customers with good credit history.

The Cooperative will use the Customer's billing history to determine the monthly budget payment amount.

Budget amounts are estimates/averages based on previous kilowatt-hour consumption. As such, they are subject to evaluation and revision during the budget year to keep them consistent with actual usage.

If the Customer fails to make a regular budget billing payment by the time of the succeeding bill, a late payment penalty will be assessed and collection efforts initiated as with any other account. Should a budget billing account be delinquent at any time within the budget billing year, the agreement may be canceled and the account will be returned to the regular billing program.

VIII. DISCONTINUANCE OF DISTRIBUTION SERVICE

The Cooperative reserves the right to discontinue furnishing Distribution Service to a Customer, irrespective of any claims pending against the Cooperative, upon the occurrence of any one or more of the following events:

A. Without Notice:

1. Whenever, in the Cooperative's opinion, the conditions of the Customer's wiring, equipment and appliances are either unsafe or unsuitable for receiving electricity, or when the Customer's use of electricity or equipment interferes with or may be detrimental to the supply of electricity by the Cooperative to any other Customer;
2. Whenever, in the Cooperative's opinion, there is reasonable cause to believe that a Customer is, or has been, receiving distribution service without payment, or in any manner interferes with the proper metering of such distribution service. (Any costs incurred by the Cooperative as a result of such actions by the Customer will be paid for by the Customer.)
3. The Customer has denied a representative of the Cooperative access to the Cooperative's meters, wires, facilities or other apparatus installed on the Customer's premises;
4. In the case of misrepresentation by the Customer to the Cooperative;
5. Emergency repairs or alterations;
6. Unavoidable shortages or interruptions in the Cooperative's source of supply;
7. When ordered by authorities having jurisdiction; and
8. Other cases of emergency.

B. With Written Notice:

1. Failure to comply with the Terms and Conditions of Service of the Cooperative;
2. Failure to pay bills for Distribution Service;
3. Failure to pay any required deposit;
4. Failure to comply with the terms of any payment agreement, contract or Agreement for the Purchase of Power;

5. Failure to correct any safety hazard having to do with Distribution Service, judged by the Cooperative to be serious but not life threatening; and
6. Failure to correct violations of the National Electrical Safety Code and the American National Standard Code for Electricity Metering caused by changes to the premises' structure or grade, such as the addition of a deck, which causes insufficient clearance of service conductors or causes the height to the center of the meter to be less than 48" or more than 72" above the floor or grade.

(Written notice of discontinuance shall be considered given to a Customer when a copy of such notice is left with the Customer; left at the premises where the bill is rendered; posted in the United States mail; or sent to the Customer's last known address as shown on the records of the Cooperative.)

C. At Customer's Request:

Distribution services will be disconnected to any Customer within a reasonable time after receipt of such request from the Customer to the Cooperative. Request for disconnection of service does not relieve the Customer of their obligation to the Cooperative. If the Customer has signed a contract for a stated period of time and discontinues distribution service within the contract period, the minimum charge is due and payable for the remainder of the contract period unless the service is transferred to another party.

IX. RECONNECTION OF DISTRIBUTION SERVICE

A. Compliance with Terms and Conditions

If the Distribution Service has been discontinued for any of the reasons covered by VIII, Discontinuance of Distribution Service, the Customer shall comply with all Terms and Conditions for Providing Electric Distribution Service before the service is reconnected.

The Cooperative shall have a reasonable period of time in which to reconnect the service after the Customer has corrected all unsatisfactory conditions or events which caused the discontinuance have been resolved.

B. Settlement of Charges and Fees

1. Any service disconnected for nonpayment normally shall not be reconnected until full payment is received for:
 - a. All past-due obligations to date;

- b. Any applicable Reconnection Charge and/or applicable fees; and
 - c. Any required deposits.
2. Settlement of charges and fees received before 4:00 p.m. on any regular workday shall entitle a disconnected Customer to be reconnected on that day for a regular Reconnection Charge. If a Customer, for a compelling reason, requires that service be reconnected at a time other than regular hours, an After-hours Reconnection Charge will be assessed. This charge will be determined in accordance with SCHEDULE F - FEES.

C. Meter Tampering, Current Diversion or Unauthorized Reconnection of Service

The Cooperative may pursue any criminal complaint procedure available under the law. Before reconnection of any service disconnected for meter tampering, current diversion or unauthorized reconnection of service, the Customer normally must comply with the following conditions:

1. Pay for all damages to Cooperative equipment resulting from tampering and provide sufficient deposit to cover possible future tampering.
2. Pay an amount estimated to be sufficient to cover service used or service received.
3. Pay any applicable Reconnection Charge.
4. Pay any other required deposits as identified in IV.B., Requirements for Securing Distribution Service.
5. Pay a fee to cover the cost of testing the meter in accordance with SCHEDULE F - FEES.
6. Make any changes in wiring or equipment that, in the opinion of the Cooperative, may be necessary for the protection of the Cooperative.

X. ELECTRIC SERVICE CHARACTERISTICS

A. Quality and Continuity of Service

The quality of service supplied by the Cooperative shall be in accordance with the accepted standards of the electric utility industry. The Cooperative shall endeavor to provide continuity of electric distribution service as outlined in V.G, Interruption of Service.

B. Voltage

The Cooperative's standard voltage for lighting and other domestic uses shall be 120/240 volts, 60 cycles, single phase alternating current. Other voltages may be furnished by special arrangements with the Cooperative and at the option of the Cooperative. The Cooperative will endeavor to maintain the voltage within seven and one-half percent above or below the standard voltage at the termination point of the Cooperative's service conductors on the Customer's premises. Variations in voltage in excess of that specified caused by the action of the elements, the nature of the Customer's equipment, unforeseen failure of Cooperative equipment, acts of God or any other reasons beyond the reasonable control of the Cooperative, shall not be considered as violations of these permissible variations.

XI. METERS AND METERING

A. Ownership and Location

Meters and metering equipment used to measure the energy delivered from the facilities of the Cooperative to the Customer's premises will be installed and owned by the Cooperative. Meters shall be located 48" to 72" above finished grade and on the outside of the building. The location of the meter and the point at which the Cooperative's supply lines terminate shall be designated by the Cooperative. The Customer shall install a Cooperative-approved meter base as part of the service entrance. No part of the service entrance shall be concealed before entering the meter base. The Cooperative shall have clear and unrestricted access to its metering equipment. Denial of access by fencing, locks, animals, etc., may result in a charge for the additional cost caused by such denial.

There are exceptions to this location with respect to certain large power Customers utilizing different metering equipment.

B. Periodic Testing

Periodic tests of meters used to measure energy delivered to the Customer will be made in compliance with The American National Standards Institute (ANSI). A more frequent periodic testing schedule may be instituted if deemed necessary by the Cooperative.

C. Tests Requested by Customer

Upon request by the Customer, the Cooperative shall test the meter provided that such tests need not be made more frequently than once in a twenty-four month period. If the Customer requests the meter be tested more frequently than

once in a twenty-four month period, the Cooperative shall require a deposit in accordance with SCHEDULE F- FEES, which will not be refunded if the test proves the meter to be within the limits set by the Commission. The Customer, or his or her representative, may be present when the meter is tested. A written report of the results of the test shall be made to the Customer within ten days after the completion of the test.

D. Meter Inaccuracy

If a meter used to measure electric energy delivered to a Customer's premises is tested and found to be inaccurate by an amount in excess of two percent, whether or not the inaccuracy is in the Customer's favor or disfavor, the Customer or the Cooperative may require that an adjustment to the bills be made. All adjustments due to meter inaccuracies will be in accordance with the condition of the meter as it was found when tested.

If there is an event from which the Cooperative is certain that the meter inaccuracy is deemed to have begun, adjustment to the bills may be made back to the time of that event for up to three years, or as limited per current state statute. If no such event is apparent, then bills may be adjusted for the preceding period not to exceed six months. The effect of the adjustment will be rendered to the Customer as an appropriate credit or debit entry on the Customer's subsequent statement for Distribution Service.

E. Meter Failure

If the meter is found to not be registering at all, the Cooperative will use the best available information to calculate the monthly charge based on the estimated consumption. Adjustment to the bills may be made back to the time the meter was determined to have failed for up to six months.

XII. CHARGES FOR WORK ON CUSTOMER'S PREMISES

It is not the policy of the Cooperative to perform service for the Customer that is not the responsibility of the Cooperative. Such work may be done to assist the Customer at the Cooperative's discretion. The Customer shall reimburse the Cooperative for all charges in performing said service.

XIII. CHARGES FOR SPECIAL SERVICES

Special services requested or required by the Applicant or Customer for their sole and exclusive benefit, such as the moving of poles and wires, must be paid for by the Applicant or Customer and are calculated on a standard unit cost basis plus any undepreciated value.

A meter reading and final bill requested by the Customer between the normal billing dates due to their renter or tenant changing shall be provided for a special meter reading charge, as per SCHEDULE F – FEES.

XIV. CUSTOMER COMPLAINT PROCEDURE

The Cooperative exists to serve its Customers, and its policies are designed to provide the best service to the most Customers at the least practical cost. If the Customer disputes the accuracy of a bill, timely payment shall be made of the bill as rendered in the parties shall use their best efforts to resolve the dispute and shall make such adjustments, if any, by credit or additional charge on the next bill rendered. The existence of dispute as to any bill shall not relieve either party of the obligation to comply with the Terms and Conditions on file with the Commission.

Customers shall be advised annually of the established complaint procedure and guidelines, and of the local and toll free telephone numbers of the Cooperative by which they may make inquiries or register complaints. The same information will be furnished to each new Applicant.

The Cooperative will maintain local and toll free telephone answering systems which will give Customers access to Cooperative agents at all times to report power outages and emergencies.

At any time, the Customer may contact the Commission regarding his or her dissatisfaction with the service provided by the Cooperative or to seek assistance in resolving a dispute between the Customer and the Cooperative.

APPENDIX
SCHEDULE F – FEES

Type of Fee or Service Charge	Amount
A. Service Connection Fee	\$25.00 (Non-Refundable)
B. Reconnection Charge (Must be paid in the Cooperative's office during normal working hours). □1. Regular Reconnection Charge, per trip per account □2. After-hours Reconnection Charge, per trip per account	\$25.00 \$50.00
C. Collection of Delinquent Accounts, per trip per account	\$25.00
D. Returned Check Processing Fee	\$20.00
E. Trouble Call for Customer's Problem	Actual Cost, with \$25.00 minimum
F. Meter Testing 1. Single Phase 2. Poly Phase	\$30.00 \$39.00
G. Special Meter Reading	\$25.00