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GENERAL STATEMENT

INTRODUCTION

These are the Terms and Conditions of Service under which electricity is supplied to its members by the Verdigris Valley Electric Cooperative. Changes in these terms and conditions may be made from time to time to meet new and unforeseen conditions.

The rules and regulations contained herein are not to be considered complete in every detail for furnishing electric service but are intended only to be a general outline of the practices of the Cooperative.

APPLICABILITY

These Terms and Conditions of Service, and any modifications thereof and additions thereto lawfully made, are applicable to all standard service agreements and contracts now existing or which may be entered into by the Cooperative and to rate schedules which from time to time may be lawfully determined and adopted.

DEFINITIONS

The following expressions when used in these Terms and Conditions of Service, in Rate Schedules, and in the Service Agreements shall, unless otherwise indicated, have the meanings given below.

APPLICANT: Any person, firm, corporations or public body requesting electric service form the Cooperative.

COOPERATIVE: The Verdigris Valley Electric Cooperative, Inc.

CONSUMER: Any Person, firm, corporation, or public body receiving electric service from the Verdigris Valley Electric Cooperative, Inc.

MEMBER: Any person, firm, corporation, or public body who has complied with the requirements for membership as provided in the Cooperative's bylaws and its Terms and Conditions of Service, and is being or will be supplied with electric service by the Cooperative.

GENERAL SOURCES OF AUTHORITY

The bylaws of the Cooperative as approved and amended from time to time by the membership of the Cooperative.

The policies adopted by the Cooperative's board of trustees.

Federal and Oklahoma laws applying to the operating of Rural Electric Cooperatives.

PART I

GENERAL INFORMATION

101 - APPLICATIONS

Every consumer before obtaining service shall make written application (unless waived by the Cooperative) to the Cooperative for service at the rates applicable. The written application for service when signed by the consumer and accepted and approved by the Cooperative constitutes a contract.

A "consumer" or "member", as used here, means one individual, partnership, association, firm, public or private corporation, or governmental agency at a single location receiving one class of service to be used only at the location of premises under his sole ownership or control.

Every application for service shall be made in the true name of the consumer desiring the service. In case of violation of this provision, the Cooperative may discontinue service at such location.

The Cooperative shall not be required to connect new service until all indebtedness for any past service rendered the consumer is paid. The Cooperative may refuse service when the consumer engages in any fraudulent scheme or device to avoid payment of indebtedness for past service, including application for service in another name or by another legal entity.

The contract for service is not transferable by the consumer, and a new occupant of the premises must make a new application in writing to the Cooperative before service is begun.

The applicant must furnish all permits required to enable the Cooperative to supply service, except those for public space.

All contracts for service under the scheduled rates of the Cooperative except those that made a definite exception, are effective for initial periods of five (5) years and are automatically renewed upon each expiration date for a one (1) year period. The

Cooperative may require a contract for a period of more than five (5) years when the consumer's requirements for power or energy are unusually large, or necessitate considerable special or reserve equipment and in such cases may require payment by the consumer of such charges and amounts as may be necessary to protect the investment of the Cooperative.

102 - DEPOSITS ON BILLS:

The plan for requiring deposits as a protection against loss on bills from this Cooperative is as follows:

I. Residential Accounts

A. REQUIRED DEPOSITS.

1. New applications for service.

A deposit of up to one-fourth (1/4) the estimated annual bill will be required except in the following instances:

a. When the consumer applicant has had an account with Verdigris Valley Electric Cooperative for twelve (12) consecutive months out of the last eighteen (18)months, and during those twelve (12) months, service was not terminated for non-payment, or the account was not late more than twice.

b. When the consumer applicant at some time earlier than the previous eighteen (18) months has been a consumer of Verdigris Valley Electric Cooperative, and had a satisfactory credit history, or when other circumstances exist that allows waiving all or part of the deposit requirements.

c. When the consumer has Verdigris Valley Electric Cooperative perform an "Online Utility Exchange" check and the consumer's rating comes back as a "low" potential delinquency risk.

2. Present Consumers.

a. A present consumer shall be required to post a deposit as a condition of continued service if undisputed charges have become delinquent in more than two of the last twelve (12) billing periods, or if the consumer has had service terminated for non-payment during the last twelve (12) months.

B. ANNUAL REVIEW OF RESIDENTIAL ACCOUNTS FOR DEPOSIT ADEQUACY

On or about June 1st of each calendar year, an annual review of deposits shall commence and be completed by the following June 30th

During this review deposits shall be refunded if during the preceding twelve (12) months payment of undisputed charges has been "satisfactory".

Satisfactory payment will be deemed to have occurred if during the last twelve (12) months payment after the due date has not occurred more than twice.

II. COMMERCIAL AND INDUSTRIAL ACCOUNTS

A. REQUIRED DEPOSITS

1. New Applicants for service.

A deposit of up to one-fourth (1/4) the estimated annual bill will be required.

103 - SERVICE STANDARDS FOR PERMANENT CONSUMER

103.1 Residential Service Rate Schedules

Consumers served on the Residential Services Rate Schedules shall be furnished single-phase service under the following provisions:

a. Single-phase service is standard for residential consumer. Single-phase service shall be provided for individual motors of ten (10) horsepower or smaller.

b. Single-phase motors larger than ten (10) horsepower may, at the Cooperative's option, be permitted.

103.2 Commercial Rate Schedules

Consumers served under the Commercial Rate Schedules shall be furnished either single-phase or three-phase service as required by the consumer, subject to the following provisions:

a. Single-phase service shall be available for single-phase motors with individual capacities of (10) horsepower or less. Single-phase service may, at the Cooperative's option, be made available for motors of over ten (10) horsepower each.

b. Three-phase service shall be available for three-phase motors with total capacity of ten (10) horsepower or more. However, if a commercial consumer requires three-phase service for motors with a total capacity of less than ten (10) horsepower at a place where three-phase secondary service is available at or near the location the Cooperative may, at its option, permit the connection of these motors. When three-phase service is furnished the consumer shall so arrange his wiring so that all single-phase and three-phase service can be taken through one meter.

c. The taking of single-phase or three-phase service shall be subject to the provisions of the Cooperative's Line Extension Policy.

103.3 Exclusive Service on Installations Connected to Cooperative's System

The standard rate schedules are based on exclusive use of the Cooperative's electric service. No electric service from another source will be used by the consumer in parallel with the Cooperative's service.

The consumer shall not sell the electricity purchased from the Cooperative to any other agency, company or person unless the contract under which service is made available specifically provides for such resale and is approved by the Cooperative.

104 BILLING FOR ELECTRIC SERVICE

104.1 Meter Reading

Each consumer, as required, shall once each month supply to the Cooperative the reading on the electric meter which measures the electricity used on the electric service.

The Cooperative shall supply a form for recording the reading and may specify the time the meter shall be read. The Cooperative may, after the second consecutive omission to supply a reading, read the meter and make a charge of twenty-five ($25.00) for obtaining the reading.

Whenever the Cooperative is called upon to furnish two or more meter installations to a consumer, each such installation will be considered separate point of delivery, and charges are to be calculated separately therefore.

104.2 Billing

Bills are payable not later than twenty (20) days after the bill is mailed. A charge for late payments, based on approved rate schedules, is to be added to bills not paid within twenty (20) days from the date the bill is mailed.

The Cooperative may mail to the consumer at the address shown on the application for service or change of address order a bill for electricity delivered thereunder; however, the Cooperative reserves the right to adopt other methods of delivering bills.

Failure to receive a bill in no way exempts the consumer from payment for service.

104.3 Temporary Disconnects

When a consumer requests a meter be disconnected, and the same consumer has the meter reconnected within twelve (12) months, it shall be termed a "temporary disconnect" and a reconnect charge of twenty-five dollars ($25.00) and an amount equal to up to twelve (12) times the monthly minimum specified in the applicable rate schedule, shall be paid to the Cooperative at the time the consumer requests the reconnect.

This shall not prohibit any service not in use from being removed by the Cooperative.

104.4 Temporary Connects

Temporary connects will be service requests for 30 days or less. To establish a temporary service, a fifty dollar ($50.00) Connect/Disconnect fee plus any applicable deposit will be required.

104.5 Pre-Paid Service Plan

The Pre-Paid Service Plan enables the participating member to actively monitor and control their electricity consumption and cost. Members have the convenience to pay, at their discretion, any amount they choose, in order to maintain a credit balance on their account.

A. Pre-Paid service is available to all residential and small commercial members as an option subject to the following provisions:

1. The member must pay all applicable fees and equipment charges prior to commencement of the service.

2. Account location installation requires a 3 wire, 240 volt (form 2S meter) with fully automatic meter reading capabilities. Three phase and CT metering does not meet these requirements.

B. A member desiring Pre-Paid Service shall make a request to the Cooperative to be enrolled in said program. If the member meets the eligibility requirements listed above, the Cooperative will then allow enrollment into the pre-paid service. The account will be monitored on a daily basis and any account with a debit balance (balance due) will be subject to disconnection.

C. In lieu of a monthly billing statement, the member's usage and balance are calculated daily using the appropriate rate schedule.

D. A full settlement of the account shall be made when participation in the pre-paid plan terminates for any reason.

105 DELINQUENT BILLS

All bills presented for payment become delinquent twenty (20) days after the bill is mailed and the Cooperative may discontinue service and remove the meter for such delinquency after ten (10) days written notice to the consumer advising that service will be discontinued unless the delinquent bill plus penalty is paid.

If service has been discontinued because of non-payment of a bill, or for violation of the rules of the Cooperative, the consumer shall pay all delinquent bills and make payment to cover the cost of reconnection before service will be re-established. There will be a charge not exceeding fifty dollars ($50.00) for each collections disconnect or reconnect completed during normal working hours.

If the **remote** meter consumer requests reconnection of service the reconnect fee shall be fifty dollars ($50.00) if the request occurs between 7:30 am and 4:00 pm. The reconnect fee shall be one hundred dollars ($100.00) if the remote meter consumer request occurs between 4:00 pm and 7:30 am, weekends or cooperative holidays.

If the **non-remote** meter consumer requests reconnection of service the reconnect fee shall be fifty dollars ($50.00) if the request occurs between 7:30 am and 3:00 pm. The reconnect fee shall be one hundred dollars ($100.00) if the non-remote meter consumer request occurs between 3:00 pm and 7:00 pm. Consumer reconnect requests for a non-remote meter consumer will not be taken after 7:00 pm or on weekends or cooperative holidays.

The Cooperative reserves the right to refuse to furnish service to a consumer at any new location until all delinquent bills of such consumer for service in any previous locations served by the Cooperative are paid.

105.1 DISCONNECTION OF SERVICE

Disconnection of service by a consumer

A consumer may be required to give up to five (5) days written notice, excluding legal holidays, Saturdays and Sundays, of intention to have service disconnected or to have the account closed and shall be responsible for all charges for service until the expiration thereof. This 5-day notice provision may be waived by the Cooperative. Such disconnection or closing of the account does not relieve the consumer of obligations incurred prior to disconnection.

Disconnection of service by the Cooperative

A. **Sufficient reasons for disconnection of service**. The Cooperative may disconnect service to a consumer for any of the following reasons:

1. Nonpayment of all or any portion of undisputed utility bills or a utility bill, which is no longer, disputed or for which the Cooperative's dispute process has been completed.
2. Nonpayment of an account for service of a similar character previously supplied to such applicant or consumer by the Cooperative.
3. Failure to comply with the terms and conditions or any type of deferred payment agreement.
4. Failure to post a deposit when required.
5. Failure to make application for service.
6. Misrepresentation of identity or facts for the purpose of obtaining service or use as a device to escape payment of an unpaid obligation for utility service provided to the consumer.
7. Violation of any rule or regulation of the Cooperative.
8. Unauthorized use of electricity accomplished through bypassing of the Cooperative's measuring equipment or tampering with wires, pipes, meters, or other utility equipment.
9. Whenever the Cooperative has reason to believe that continued service will create a condition on the consumer's premises that is dangerous to persons or property.
10. Refusal to grant access at reasonable times for the purpose of installation, inspection, maintenance, replacement, or reading of utility equipment installed upon the premises of the consumer, or maintaining any obstruction that would deny access for these purposes.

11. Potential adverse effect of the service required by the consumer on the service of other consumers of the Cooperative, provided the consumer has been notified and given a reasonable opportunity to correct the adverse effect.
12. Abandonment of the premises served.
13. Upon request of the consumer.
14. Causing injury or threatening to cause injury to an employee of the Cooperative or the family of an employee of the Cooperative or the property of the Cooperative for the purpose of preventing a Cooperative employee from engaging in activities authorized by law or in retaliation for such activities.
15. Violation of the Cooperative's rules regarding the operation of nonstandard equipment or unauthorized attachments, if the consumer was notified first and given a reasonable opportunity to comply with the rules.
16. Violation of federal, state, or local laws or regulations through use of the service.
17. Causing damage to Cooperative property.
18. A condition exists which poses a health or safety hazard.

B. <u>Insufficient reasons for disconnection of service</u>. The Cooperative shall not disconnect service to a consumer for any of the following reasons:

1. Failure to pay for a different kind of classification of service from that requested.
2. Failure to pay a bill correcting a previous underbilling, due to misapplication of rates, unless the Cooperative offers the consumer a deferred payment agreement
3. Failure of a previous owner or occupant at the premises or user of the service to pay an unpaid or delinquent account, except where the previous occupant remains an occupant or user of the utility service.
4. Failure of a consumer to pay any portion of an estimated billing which the consumer disputes, except where the consumer fails to allow a Cooperative representative access to the meter, or if the consumer regularly reads the consumer's own meter and fails to supply a current meter reading.
5. If a consumer or potential consumer has a previously unpaid account from a different utility beyond the boundaries of the utility's service territory.
6. Pending verification, service cannot be withheld or disconnected from a consumer whose name was used to obtain service at another location without the consumer's permission or knowledge.

7. Nonpayment of an amount past due for more than three (3) years if the Cooperative cannot substantiate the charges with a copy of the consumer's complete billing history reflecting usage, consumption and relevant charges.

C. **Effective period of notice.** The Cooperative may disconnect service on the date specified in the notice or within thirty (30) days thereafter, during regular business hours, so long as the disconnection does not occur within the last two (2) hours of the business day, no service shall be disconnected on a holiday, or after noon (12:00 p.m.) on Fridays until Monday morning.

D. **Documentation of reason(s).** The Cooperative shall provide documentation to the consumer indicating the reason or reasons that service is being withheld or disconnected.

VVEC to keep current lists of energy assistance programs.

A. **Compilation**. The Cooperative will compile a list with the names and phone numbers of known payment assistance programs, including information regarding any bilingual services offered that are applicable to each service area within the utility's areas of operation. The list should include but is not limited to: local, state, federal and tribal energy assistance programs. The list should also include public/private charitable organizations offering or known to offer energy payment assistance, which has given prior consent to their inclusion on this list. The Cooperative will use due diligence in compiling and updating this information, with updates to occur on an annual basis.

B. **Availability**. The Cooperative shall give a copy of this list to any consumer who asks for such assistance.

C. **Liability**. The offer of any such list under this Section is meant as an informative resource only, in order for the Cooperative to better assist its consumer. Failure of the consumer to gain funding in full or in part, from any of the proffered resources under this Section shall not result in any liability to the Cooperative

SPECIAL PROVISIONS REGARDING RESIDENTIAL DISCONNECTION

Delays to disconnection of residential service.

A. **Temporary ban on disconnections**. The Cooperative shall temporarily ban disconnections during periods of extremely severe weather or when circumstances exist such that disconnection could create a situation dangerous to the life or health of consumer or to property.

B. Severe weather.

1. If the high temperature is actually, or predicted to be, 32 degrees Fahrenheit or below on the day of disconnection or the nighttime low is predicted to be 20 degrees Fahrenheit or less, the Cooperative shall suspend its disconnection of service if the electric service is used for heating purposes.

2. If the service is utilized for cooling and the temperature is actually, or predicted to be, 101 degrees heat index or higher on the day of disconnection, the Cooperative shall suspend its disconnection of service activity.

3. The Cooperative may continue to disconnect electric service for unauthorized use of the Coop's measuring equipment or tampering with wires, pipes, meters, or any other utility equipment or obtaining service without contract.

C. Financial assistance delay. When a residential consumer has applied for and is awaiting financial assistance, including social security income, from a federal, state, or local social service agency, and the Cooperative has initiated written notice of disconnection, the Cooperative shall delay disconnection of service for a period of at least two (2)weeks from the date when such notice was either delivered or mailed to the premises where service is rendered, provided:

1. The reason for disconnection is for nonpayment of the utility bill.

2. The consumer has notified the Cooperative that the consumer has applied for and is awaiting financial assistance.

3. Verification from the involved agency must be provided in a form as prescribed by the Cooperative upon its request.

4. If the expected financial assistance is less than the amount owed for services, the Cooperative may require the consumer to enter into a deferred payment agreement as pursuant to (d) of this Section.

5. Under no condition is the Cooperative required to furnish service to the consumer unless there is a reasonable expectation of payment for such service except where other rules of the Cooperative apply.

D. Deferred payment agreement. The Cooperative shall offer a deferred payment agreement before disconnecting service when a residential consumer is unable to pay an account in full. The Cooperative shall not disconnect service for nonpayment of a bill if the consumer enters into a deferred payment agreement with the Cooperative. The Cooperative may mail a confirmation of the terms of the deferred payment agreement if it is made orally. A deferred payment agreement may be entered into by the consumer up to, but not including, the day of disconnection. Except where payment assistance for the total amount of the bill is pending, the Cooperative may require a reasonable partial payment, at the time the deferred payment agreement is made.

1. Deferred payment agreement means a just and reasonable agreement offered by the Cooperative and agreed to by the consumer which provides for the payment of all future bills during the period of agreement by the due date and the payment of the balance of any outstanding bills in reasonable installments based upon:

   a. Size of the delinquent account.

   b. Consumer's ability to pay.

   c. Consumer's payment history with the Cooperative.

   d. Other extraordinary expenses of the consumer.

   e. Loss of income through unemployment or illness.

f. Any other relevant factors concerning the circumstances of the consumer.

2. The payments under such an agreement need not be equal in amount.

3. The consumer may initiate renegotiation prior to breach of the deferred payment agreement. The deferred payment agreement shall be renegotiated if financial circumstances, such as loss of income through unemployment or illness or any other relevant factors concerning the circumstances of the consumer, change during the payment period.

4. If a consumer fails to comply with the terms of the deferred payment agreement, the consumer will be subject to disconnection without further notice.

5. Under no condition is the Cooperative required to furnish service to the consumer unless there is a reasonable expectation of payment for such service.

E. Life-threatening situation.

1. For purposes of this Section, a life-threatening situation is defined as one where the consumer or other permanent resident of the household is dependent upon equipment that is prescribed by a physician, operates on electricity, and is needed to sustain the person's life. Examples of life-sustaining equipment would be: Kidney dialysis machine, iron lung, oxygen concentrators and certain other machines, cardiac monitory, heating and air conditioning equipment, or any other equipment that is prescribed by a licensed medical doctor. If the life-sustaining equipment without a battery backup is prescribed by a licensed medical doctor, then it shall be considered life-sustaining equipment. The following are not considered to be life-sustaining equipment: hot water heater, refrigerator, range/stove, nebulizers that are battery-driven or hand-driven or self-contained, battery-driven sleep apnea monitors, battery-driven cardiac monitors.

2. When a consumer to whom service is provided is unable to pay the account in full, the Cooperative shall suspend discontinuance of service, if the consumer notifies the

Cooperative that disconnection of service will give rise to a life-threatening condition for the consumer or other permanent resident of the household should electric service be terminated, and within thirty (30) days of the initial notification, the consumer shall return the Medical Certificate described in (3) of this subsection.

3. The consumer shall use a Medical Certificate Form which verifies the existence of a life-threatening situation. The form shall be provided by the Cooperative at no cost to the consumer. The form shall provide certification by a licensed medical doctor or osteopath. The consumer may choose the appropriate medical personnel. The service account name holder shall sign the Medical Certificate Form at the appropriate space, indicating knowledge that a permanent resident of the household is applying for the life-threatening situation certificate and further acknowledging the responsibility for payment of bills rendered for electric service.

4. Completion of (2) and (3) of this subsection will suspend disconnection of electrical service to the specified residence for a period of thirty (30) days from the initial notification. This 30-day period allows the consumer, if eligible, to pay the account in full or enter into a deferred payment agreement with the Cooperative and/or made alternative arrangements for the person(s) named on the certified form as having the life-threatening condition. After 30 days, normal collection action will resume. The Cooperative is not obligated to provide service to the consumer beyond a total of 30 days for the life-threatening condition without full payment of the account or acceptable payment arrangements on any unpaid balance.

5. Verification of the medical condition of the consumer or other permanent resident in the household by the Cooperative may include the following:

   a. Cooperative personnel may visit the consumer's residence with the consumer's permission to verify that life-sustaining equipment is being used.

   b. Cooperative personnel may verify the doctor's signature and clarify the medical terms of the diagnosis which is the reason for the life-threatening certificate.

6. This collection abeyance in no way absolves the consumer from full responsibility for the payment in full of the utility services rendered, and is intended for the

purpose of providing the consumer an opportunity to maintain service during the life-threatening situation within the prescribed time frames.

7. Failure of the service account name holder to fully comply with this subsection may result in denial of life-threatening status and renewed collection activities of the Cooperative, to include termination of service to said residence.

8. Any consumer who uses this subsection to avoid disconnection or for reconnection of service and does not complete the required documentation will be subject to disconnection.

9. A consumer is not prohibited from claiming life threatening situation once full payment of the account balance from a previous life-threatening claim is made and a Medical Certificate Form signed by a licensed medical doctor have been received by the utility.

F. False information. If a consumer provides false or misleading information to the utility in order to avail the consumer of the provisions applicable to the financial assistance delay, deferred payment agreement, life-threatening situation, or Cooperative notification procedure for elderly, and/or consumer with disabilities, the false information shall be grounds for disconnection of service by the Cooperative.

Notification procedure for the elderly and/or consumers with disabilities.

A. At any time prior to disconnection of service, the Cooperative notification procedure shall be available to those elderly and/or consumers with disabilities who have notified the Cooperative in writing that they wish to be included in the following notification procedure:

1. The Cooperative shall notify the consumer in writing at least ten (10) business days prior to disconnection.

2. Written confirmation shall contain at a minimum:

   a. The name, address, telephone number, and account number of the involved parties.

b. The words "NOTICE", "SERVICE SUBJECT TO CUTOFF", and "ELDERLY and/or CONSUMER WITH DISABILITIES" should be conspicuously placed on the notice.

c. The scheduled date of disconnection.

d. The unpaid balance amounts.

e. The name and telephone number of a contact person at the Cooperative.

3. Elderly and/or consumers with disabilities are those consumers who have notified the utility in writing that they wish to be included in the Cooperative notification procedure available to them and who:

a. Have a permanent impairment which substantially limits the disabled consumer's ability to pay for utility service; or

b. Are sixty-five (65) years of age or older.

B. The Cooperative shall notify the consumer or other person responsible for the bill, during the initial application for service, annually thereafter, and at any time disconnection is imminent, of the additional notification procedure.

C. The Cooperative may require verification of the consumer's qualifications.

D. The Cooperative notification procedure is in addition to all other listed notice requirements the Cooperative shall meet prior to disconnection of service.

Notice Requirements.

A. **Commercial and residential notice.** When service to a consumer is to be disconnected for nonpayment of a bill for utility service or failure to make a required security deposit, the Cooperative shall give at least ten (10) days written notice from the date of mailing to the consumer (when the deposit is required as a condition of service, the ten (10) day notice is not required.) Said written notice shall be sent by first-class mail, address correction requested, by the Cooperative to the consumer's billing

address, unless the mail is returned from that address as undeliverable, in which case the notice may be delivered to the premises at which the service was rendered.

1. Notice will be deemed delivered to the consumer three (3) business days after mailing by the utility company, which shall not extend the ten 10) days written notice from the date of mailing to the consumer requirement above.

2. A notice of disconnection shall contain the following information:

   a. The words “DISCONNECTION NOTICE” or “CUTOFF NOTICE” in bold print.

   b. The name and address of the consumer.

   c. A statement of the reason for the proposed disconnection of service.

   d. The date on or after which service will be disconnected unless appropriate action is taken.

   e. The telephone number of the Cooperative where the consumer may make an inquiry.

   f. The approved charges for reconnection.

   g. A statement that the consumer must contact the utility company regarding the disconnection.

   h. A statement that advises the consumer of the availability of a deferred payment agreement.

   i. A statement that advises the consumer of the elderly/consumer with disabilities notification.

   j. A statement that advises the consumer of the life-threatening certificate.

   k. A statement that advises the consumer of the availability of a financial assistance delay.

l. A statement that advises the consumer of the availability of a list of agencies providing assistance to consumer for their utility bills.

B. **Second commercial or residential notice**. No second notice (48-hour notice) will be given prior to disconnection for non-payment of services.

C. **Third party notice**. The Cooperative shall permit consumers to designate a consenting individual or agency to receive the applicable notice of disconnection.

Manner of disconnection of service

A. **When service is disconnected at the premises of the consumer:**

1. The Cooperative employee may receive payment of past due bills or accept a copy of the consumer's payment assistance application, or accept a copy of the cancelled check or a Cooperative receipt showing payment; and upon the receipt thereof, cancel the disconnection order. If payment is offered in a form other than cash or negotiable instrument, the Cooperative employee may verify the payment with the appropriate entity involved. If payment is offered by negotiable instrument, the Cooperative employee may contact the financial institution involved for verification of sufficient funds in the account to cover the negotiable instrument. If the account does not contain sufficient funds for payment, then the Cooperative employee may reject the offered negotiable instrument for payment of past due bills.

2. Receipt of a subsequently dishonored negotiable instrument in response to a notice of disconnection shall not constitute payment of the consumer's account, and the consumer will receive no further notification from the Cooperative and will be subject to immediate disconnection.

3. If the meter is not disconnected remotely, the Cooperative employee shall leave a written statement at the premises that service has been disconnected, the reason for disconnection, and the telephone number and address where the consumer may arrange to have the service reconnected

Exceptions and Reconnection Procedures

A. Disconnection of service without notice.

Notwithstanding any other Section regarding disconnection of service, the Cooperative may at any time disconnect service without notice and without delaying disconnection of service as prescribed in other Sections of this Part, if:

1. It reasonably believes that such action is necessary to correct a condition that poses a health or safety hazard to the consumer, the general public, or the equipment of the Cooperative.

2. For the purpose of essential repair, maintenance, or testing of utility equipment, the Cooperative shall make such efforts as are reasonable under the circumstances to minimize the adverse effects of disconnection of service and to inform affected consumers prior to disconnection of service.

3. The Cooperative may disconnect for unauthorized use of electricity accomplished through bypassing of the Cooperative's measuring equipment or tampering with wires, pipes, meters, or any other Cooperative equipment or obtaining service without a contract. Prior to or immediately upon disconnection of service, the Cooperative shall make a good faith effort to notify the consumer of the reason for disconnection either by telephone, by personal contact, or by notice left at the premises. If service is disconnected under this paragraph, the Cooperative may require the consumer to pay the following applicable charges before service is restored:

   a. The applicable charges for reconnecting service prescribed in the Cooperatives approved tariffs.

   b. The amount due for unmetered or unpaid usage, if such usage can be determined exactly. If the exact usage cannot be determined, the Cooperative may compute and charge for estimated usage based on historical usage from the previous two (2) years billing period or billing information; and/or

c. The cost associated with the testing, repair, or replacement of any damaged equipment.

4. The Cooperative may disconnect for failure by consumer to post a deposit, when the deposit has been required as a condition of service. If service is disconnected under this paragraph, the Cooperative may require the consumer to pay applicable charges before service is restored.

A. Reconnection of Service.

1. The Cooperative shall reconnect service upon the consumer's request as soon as the reason for disconnection of service has been eliminated. The Cooperative shall give precedence to reconnection of service when disconnection was the fault of the Cooperative; the Cooperative shall reconnect service in the normal course of its reconnection workload, as soon as possible but no later than twenty-four (24) hours after the consumer eliminated the reason for disconnection and requests reconnection, when disconnection of service was the fault of the consumer. If the reason for disconnection is unauthorized use of electricity accomplished through bypassing the utility's measuring equipment or tampering with the wires, pipes, meters, or other Cooperative equipment, the Cooperative may, prior to reconnecting service, require a reasonable payment for estimated service rendered. The Cooperative may require payment of a reconnection charge when disconnection of service was the fault of the consumer, if such charge is provided in the Cooperative's tariffs.

2. When the disconnection of service was for nonpayment of service and disconnection took place on a Friday morning, service shall be restored as soon as possible, but no later than twenty-four (24) hours from when the consumer eliminates the reason for disconnection and requests reconnection, subject to an intervening Act of God.

3. When a disconnection for nonpayment of service has occurred immediately preceding periods of severe weather as described in Part B of Special Provisions Regarding Disconnection, the Cooperative shall reconnect service as soon as possible but no later than twenty-four (24) hours, subject to an intervening Act of God, upon receipt of one of the following:

a. Payment of the past due bill for which service was disconnected.

b. Submission of a life-threatening certificate from the consumer.

c. Guarantee by a federal, state, or local social service agency that payment will be made directly to the utility.

4. Reconnection or continuance of service under this Section shall not in any way relieve the consumer of the consumer's liability incurred for utility service.

A. Dispute and Mediation. Whenever the consumer informs the utility that the consumer disputes a charge for service, the utility shall investigate the dispute promptly and thoroughly and make a diligent effort to reach a mutually satisfactory settlement.

106 FRAUDULENT OR UNMETERED USE OF ELECTRIC SERVICE

When evidence indicates that fraudulent use of electric service or attempted fraudulent use of electric service, or tampering with the Cooperative's meter or equipment, with or without consumer's knowledge, the Cooperative shall have the right to discontinue service without notice to the consumer whenever the utility determines that continued service will create a condition on the consumer's premises that is dangerous to persons or property. Service will not be resumed to the consumer until such consumer shall have paid all bills including the current used but not billed, together with any damage to the meter or metering equipment, a two hundred-dollar ($200.00) tamper per occurrence, plus one reconnection charges not exceeding fifty dollars ($50.00)for reconnecting the service during normal working hours.

106.1 RETURNED CHECK CHARGE

The Cooperative will apply a returned check charge of up to twenty-five dollars ($25.00) to the consumer's account for each check returned unpaid to the Cooperative for insufficient funds or any other reason.

If a consumer renders a subsequently dishonored negotiable instrument for payment in avoidance of disconnection of service for non-payment; upon receipt of notice of payment being returned unpaid, service will be subject to immediate disconnect without further notice.

The Cooperative may refuse to accept a check for payment due the Cooperative if during the previous twelve (12) months the consumer has had one or more checks returned unpaid to the Cooperative.

106.2 E-CHECKS (ELECTRONIC CHECKS) AND CREDIT CARD FEES

A convenience fee may be charged for each transaction.

106.3 INVESTIGATION SERVICE CHARGE

Whenever the Cooperative shall, upon the customer's request, provide personnel to investigate an outage or other problem on the consumer's premises, a service charge of fifty dollars ($50.00) shall be made if the investigation reveals the problem to be on the consumer's side of the meter.

107 TESTING OF METERS

Upon receipt of written request from a consumer, the Cooperative will test any consumer's meter within ten (10) working days or such reasonable time thereafter as practicable, excluding Saturdays, Sundays and holidays to determine the accuracy of the meter through which the consumer is being served.

a. An advance deposit not exceeding fifty dollars ($50.00) will be required from the consumer to conduct such meter test.
b. Any charge made pursuant to (a) above shall be refunded to the consumer if the meter is found to have an average error of more than two percent (2%) when tested.
c. A consumer may make written request to be present when the Cooperative or its agent conducts the test on his meter, and have an expert or other representative present at the time; in which case the Cooperative shall conduct the test in the presence of the persons requested.
d. A written report stating the name of the consumer requesting the test, the date of the request, the location of the premises where the meter has been installed, the type, the make, size and serial number of the meter, the date of removal, the date tested, and the results of the test, shall be supplied to such consumer within ten (10) working days after the completion of the test.

107.1 ADJUSTMENT OF BILLS FOR METER ERROR

a. Fast Meters. Whenever any meter tested by the Cooperative or its agent is found to have an average error of more than two percent (2%) fast (or in favor of the Cooperative), the Cooperative shall refund to the consumer the overcharge based upon the corrected meter reading for a period equal to one-half (1/2) the time elapsed since the last previous test, but not to exceed six months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the overcharge shall be computed from that date.

b. Slow Meters. Whenever any meter tested by the Cooperative or its agent is found to have an average error of more than two percent (2%) slow (or in favor of the consumer), the Cooperative may charge for the electricity consumed but not included in bills previously rendered, based upon the corrected meter reading for a period equal to one-half (1/2) of the time elapsed since the last previous test but not to exceed six months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the charge shall be computed from that date.

c. Non-Registering Meter. If a meter is found not to register or to register intermittently for any period, the Cooperative may charge for an estimated amount of electricity used, which shall be calculated by averaging the amounts registered over corresponding periods in previous months, or in the absence of such information, based on calculated use of connected load over similar periods preceding or subsequent thereto.

d. Incorrect Register or Multiplier on Meter. If a meter is found to have an incorrect register or multiplier, the error shall be corrected. Where the error is adverse to the consumer, the Cooperative shall refund the excess charged for the amount of electricity incorrectly metered over the period of time the meter was used in billing the consumer. Where the error is adverse to the Cooperative, the Cooperative may charge the consumer the undercharge for the amount of electricity incorrectly metered for the period of time the meter was used in billing the consumer, and if necessary, the Cooperative may receive payment in installments over a reasonable period of time.

107.2 OTHER ADJUSTMENT OF BILLS

Other appropriate adjustments in meter readings and on bills rendered for electric energy may be made under the following circumstances.

a. When meter readings are incorrectly reported.

b. For estimated readings that are later found to vary considerably from the actual usage.

c. When meter readings or payments were mailed on time according to the member's statement and there is not evidence to the contrary.

d. When there is a change of residents at a location without the meter being removed and there is a question about the final or beginning readings.

e. When there are some other extraordinary circumstances such as bad weather or a disaster that interferes with the normal delivery or mail.

f. Faulty Equipment of Member. Where an excessive bill or bills are created due to electric equipment connections being improperly made, faulty equipment or some other factor beyond the member's reasonable control, an adjustment may be made for the kilowatt-hours determined to be excessive by charging the member for these excessive KWH at a rate equal to the delivered cost of power for the previous month rather than the rate schedule applying to this account.

108 ACCESS

The consumer shall give the duly authorized agents of the Cooperative permission to enter the consumer's premises at any reasonable time for any purpose incidental to the supplying of electric service.

109 CONSUMER'S RESPONSIBILITY

The consumer will be responsible for all damage to, or loss, of the Cooperative's property located upon his premises, unless occasioned by causes beyond his control, and shall not permit anyone who is not an agent of the Cooperative to remove or tamper with the Cooperative's property.

110 PROVIDING CLEARANCE FOR HOUSE AND EQUIPMENT MOVING

Where a house, structure or equipment is to be moved upon, across, or over roadways, or along a way over which electric wires are strung, advance notice in writing must be made to the Cooperative of the dimensions of the object, the time to be moved and the precise route over which to be moved. Payment of a deposit shall be made in advance to the Cooperative for the cost of providing clearance of wires. In no case shall anyone other than authorized employees of the Cooperative remove, cut, raise or handle any wires in connection with the moving and providing of clearance.

111 CONSUMER'S WIRING

All electric wiring and equipment installed on the consumer's side of the "point of delivery" shall be at the consumer's expense and shall be installed and maintained in accordance with the requirements of the latest edition of the National Electrical Safety Code, American Standards Safety Institute, and the Cooperative.

For protection of the consumer and as required by law, such electric wiring and equipment should be inspected and approved by the appropriate governmental agency having jurisdiction over such electric wiring. Where no inspection services by a governmental authority is available, the required inspection and approval should be by a licensed electrician. However, connections of the Cooperative's service to the consumer's wiring shall not imply that such an inspection has been made and the Cooperative is under no obligation to require an inspection of such wiring, either before or after making connection therewith.

The Cooperative will not be responsible for any loss, injury or damage which may result from defects in electric wiring or equipment on the consumer's premises.

The Cooperative may refuse to make a connection and may discontinue service to any consumer when it has information or cause to believe that any installations on the consumer's premises are unsafe, or when a defective condition of wiring or equipment on the premises of the consumer results, or is likely to result, in interference with proper service.

111.1 CHANGES

In the event a consumer shall add to the size of the electrical equipment, the consumer shall notify the Cooperative so that its meter and other equipment maybe enlarged sufficiently to care for the increased load. If the consumer fails to so notify the Cooperative, the consumer may be held responsible for any damage to the meter or other equipment of the Cooperative caused by such increased load.

112 CONTINUITY OF SERVICE

The Cooperative will use reasonable diligence to supply steady and continuous service at point of delivery, but will not be liable to consumer for any damages occasioned by irregularities or interruptions. The Cooperative may without further notice discontinue service to any consumer when a defective condition of wiring or equipment upon the premises of the consumer results, or is likely to result, in danger of life or property or interference with proper service.

In order to make repairs to or changes in the Cooperative's facilities for supply of electric service, the Cooperative reserves the right, without incurring any liability therefore, to suspend service without notice to the consumer for such periods as may be reasonably necessary.

112.1 INTERRUPTIONS OF SERVICE

Whenever service is interrupted, other than under emergency conditions, the interruption shall be made at a time which will cause least reasonable inconvenience to consumers, and where feasible, installations affected (such as hospitals, police, fire, schools, and other public buildings affected with interest of public health and safety) will be notified in advance.

The Cooperative shall keep a record of any condition resulting in an interruption of service affecting its entire system or major division thereof, including the time, duration, and cause of any such interruption.

The Cooperative may cause emergency interruption of service without notice when required by failure of equipment, unexpected and prolonged increase in load, fire, storm, strike or other cause beyond its control.

AVERAGE MONTHLY PAYMENT PLAN

113 The Cooperative offers the following "Average Monthly Payment Plan to its Residential Consumers":

Availability: Available to all residential consumers as an optional payment plan subject to the following provisions:

Eligibility:

1. To be eligible to participate in this plan a consumer must have twelve (12) months billing history at the service location involved.
2. The consumer must not have been late in paying the account after the due date more than twice during the preceding 12 months.
3. The consumer's account must be currently paid in full at the time participation in the plan commences.
4. Any consumer who requests and enters the plan may be removed from it should the account at any time become subject to termination for nonpayment.

HOW THE PLAN WILL WORK:

1. A consumer desiring to use the plan shall make a request to be allowed to use this optional payment plan.
2. The Cooperative will allow use of the average monthly payment plan if the consumer meets and continues to meet the eligibility requirements.

HOW PREPARATION OF BILLS OCCUR:

1. The monthly payment amount shall be based upon the average of the current month's kilowatt usage plus the eleven (11) preceding months' usage. Current and historical consumption determined by both actual and estimated meter readings shall be used to determine average usage. This average shall be recalculated each month in this manner.

2. The monthly bill will be based on applicable rates. The average monthly payment amount will include the current budget amount, applicable taxes and any unpaid balance from prior months.

FULL SETTLEMENTS

A full settlement of the account shall occur when participation in the plan is ended. This occurs at the request of the consumer or Verdigris Valley Electric Cooperative.

114 MODIFICATION OF TERMS AND CONDITIONS OF SERVICE

No agent, representative or employee of the Cooperative shall have authority to modify the Terms and Conditions as stated herein, but the Cooperative shall have the right to amend these Terms and Conditions or to make additional Terms and Conditions as it may deem necessary from time to time, subject to their approval by the Board of Trustees and any other body having jurisdiction thereto.

PART II

ELECTRIC SERVICE REGULATIONS

These regulations are to provide for the safety of the public and for dependable electric service. Drawings illustrative of the installations described herein will be furnished without charge by the Cooperative upon request.

201 POINT OF DELIVERY

The point of delivery of electric service shall be the point at which the lines of the Cooperative connect to the lines of the Consumer. The Cooperative's standard point of delivery will be on a line or service pole for overhead service and at the load side of the meter base, or last existing pole for underground service.

Location of the point of delivery will be designated by authorized employees of the Cooperative when requested before Consumer's electrical installation work is started. This will eliminate possible delay and added cost of relocating the point of delivery for the convenience of the Consumer, or to provide required clearance from buildings and other utility companies' lines.

Where a service connection cannot be made or maintained with adequate clearance without being interfered with by trees or other obstructions, it will be the responsibility of the Consumer to provide an easement so that the Cooperative may make adequate clearance.

201.1 WHERE POINT OF DELIVERY IS ON LINE SERVICE POLE

The Cooperative will furnish and install a meter loop on the pole.

a) Overhead Take-Off: The point of delivery for an overhead take-off will be at the top of the service pole where the load side wires exit from the weather head on the meter loop.
Exception: When instrument transformers are used with the metering equipment.

b) Underground Take-Off: The point of delivery for underground service will be on the load side terminals of the meter base.
Exception: When instrument transformers are used with the metering equipment.

c) When Instrument Transformers are Used with the Metering Equipment: The point of delivery when instrument transformers are used with the metering equipment will be at the current transformer.

201.2 PERMANENT DISCONTINUANCE OF DELIVERY OF ELECTRIC SERVICE

When the Cooperative permanently discontinues delivery of electric service to any consumer's premises, the Cooperative shall have the right at any reasonable time thereafter, to enter upon the premises and remove the meter and any other property the Cooperative has located there.

202 METERS AND DISCONNECT DEVICES

202.1 GENERAL

Each set of service entrance conductors before connecting to the Cooperative's conductors at the point of delivery, whether this be at a meter, pole or a building or other structure, shall be provided with a main circuit breaker or safety type fuse on the load side, and immediately adjacent to or within ten feet (10') of the Cooperative's meter (in accordance with the National Electric Code), which shall be provided and installed at the expense of the Consumer prior to service being made available, and which shall be accessible to the occupants of the premises being served and of ample capacity to carry the connected load and to interrupt the fault current.

All standard metering equipment stocked by the Cooperative shall be furnished and maintained by the Cooperative.

No meter, meter loop, circuit breaker, or safety type switch shall be by-passed by any person for any reason, including remodeling or replacement, without prior approval of the Cooperative.

202.2 OUTDOOR SELF-CONTAINED METER INSTALLATIONS

Outdoor meter installations are required for all installations.

A meter shall not be placed in a location where it may be accidentally damaged or at a location on a building where it will cause inconvenience, either to the consumer or by the Cooperative's representative.

202.3 INSTRUMENT TRANSFORMER INSTALLATIONS

Outdoor meter installations are required for all installations.

A meter shall not be placed in a location where it may be accidentally damaged or at a location on a building where it will cause inconvenience, either to the consumer or by the Cooperative's representative.

202.4 ACCESS TO METER AND OTHER PROPERTY

The Cooperative shall at all reasonable times have access to meter, service connections and equipment, and other property owned by it on a consumer's premises.

PART III

MOTORS,WELDERS AND OTHER EQUIPMENT

301 AVAILABILITY OFSERVICE

The type of electric service furnished to the Consumer will depend on the location, size and type of load to be service.

302 PRIMARY VOLTAGE SERVICE

The Cooperative will furnish primary voltage service when requested by the Consumer, provided the consumer or their builder/contractor submits plans and specifications for approval by the Cooperative's engineers before work is started.

303 MOTORS AND EQUIPMENT- GENERAL

In order that service to consumers may not be unduly affected, the following limitations on motor starting current, type and size of motors, and other current–using equipment are necessary.

For usual applications, the Cooperative renders 60 cycle service from circuits of the following characteristics:

a) Single-phase, 3-wire, 120/240 volts.
b) Single-phase, 3-wire, 240/480 volts.
c) Single-phase, 2-wire, 7,200 volts.
d) Single-phase, 2-wire, 14,400 volts.
e) Three-phase, 4-wire, 120/240 volts delta *Overhead Service Only
f) Three-phase, 3-wire, 240 volts delta*Overhead Service Only
g) Three-phase, 4-wire, 120/208 volts wye.
h) Three-phase, 3-wire, 480 volts delta*Overhead Service Only
i) Three-phase, 4-wire, 240/480 volts delta*Overhead Service Only
j) Three-phase, 4-wire, 277/480 volts wye.
k) Three-phase, 4-wire, 7,200/12,470 volts wye.
l) Three-phase, 4-wire, 14,400/24,900 volts wye.

Customers and contractors contemplating the purchasing and/or installation of any three-phase motor or any single-phase motor larger than ten (10) horsepower motor should obtain from the Cooperative's engineer's information relating to the character of service available at the location of such proposed installation

304 MOTORS

All motors of seven and one-half (7 ½) horsepower or less shall be single-phase, unless otherwise agreed to by the Cooperative. All motors of more than seven and one-half (7 ½) horsepower shall be three-phase if service can be obtained by direct connections with the Cooperative's existing three-phase system, or if an extension of the existing three-phase system is economically justified. For all motors in excess of five (5) horsepower, the Cooperative may require an approved device acceptable to it for properly limiting the starting current. The specifications and operating characteristics of said motors shall be submitted to the Cooperative for approval.

305 INTERMITTENT LOADS

No Consumer shall operate electric equipment which results in a disturbing influence on the service to other consumers, unless the Consumer, at the Consumer's expense, requests the Cooperative to provide additional facilities, such as transformers, capacitors, etc., to isolate the disturbing effect of such equipment.

306 LOW POWER FACTOR EQUIPMENT

In the case of any device or devices creating low power factor, the Cooperative may require the Consumer to provide, at their own expense, power factor corrective equipment which will maintain the power factor of each such device at not less than ninety percent (90%). Corrective equipment will be installed in the circuit between the low power factor devices and the switch controlling the devices, in such manner that the corrective equipment will operate only when such devices are operated.

The foregoing will apply to all new installations including additions and changes made on existing installations. It is not intended to apply on installations existing prior to the effective date of this rule unless moved, rearranged or otherwise changed.

307 PROTECTIVE CONTROL EQUIPMENT

Reverse phase relays and circuit breakers or similar devices are required for all polyphase elevator installations, cranes and similar services to protect the installation in case of phase reversal or phase failure. Should special cases seem to warrant an exception to the above rules, the Cooperative may after an investigation make such exception. In all cases the Consumer should install and maintain the devices necessary to adequately protect his equipment and process during periods of abnormal service conditions or the failure of part or all of the service supply.

PART IV

STANDARD EXTENSION POLICY

400 GENERAL

The Standard Extension Policy is one part of the Cooperative's general body of rules and regulations governing the furnishing of service to its members and consumers. The Standard Extension Policy should be considered in conjunction with the provisions of the Cooperative's various rate schedules and other provisions of the Terms and Conditions of Service. The application of the extension policy to the various situations and types of consumers is outlined below. This supersedes all previously issued directives concerning the extension policy.

The Cooperative's application for electric service and initial sign-up fees shall be paid by all consumers prior to receiving service. Concrete slabs and/or footings must be present for each new service request before the application process begins. There may be at times additional fees required for re-staking or cancellations of service requests, when deemed necessary.

401 RESIDENTIAL OVERHEAD SERVICE

Permanent residential service is defined to mean any residential dwelling containing complete kitchen facilities for each dwelling unit with normal occupancy on a permanent year-round basis. Not included in the term permanent residential service are weekend cabins, RV's, motor homes, travel trailers, mobile homes, and modular or manufactured homes. However, mobile homes, modular or manufactured homes, situated in mobile home parks are considered permanent residences.

a) The Cooperative will build a free extension of overhead primary line to a permanent residential house, setting up to 2 poles when the Cooperative determines it necessary.

b) The Cooperative will build a free extension of overhead primary line to a mobile home, setting up to 1 pole when the Cooperative determines it necessary.

c) The Cooperative will require payment of the cost of extension over the free limit before extending the distribution system.

d) The Cooperative may require payment of a contribution in aid to construction for clearing of right-of-way when deemed necessary.

Ownership of the line shall remain with the Cooperative and the right to connect others is in no way waived. All specifications and distances involved shall be determined by the Cooperative.

402 RESIDENTIAL UNDERGROUND SERVICE

Permanent residential service is defined to mean any residential dwelling containing complete kitchen facilities for each dwelling unit with normal occupancy on a permanent year-round basis. Not included in the term permanent residential service are weekend cabins, RV's, motor homes, travel trailers, mobile homes, and modular or manufactured homes. However, trailer houses and mobile homes situated in mobile home parks are consider permanent residences.

The Cooperative will install an underground distribution electric system to an individual permanent residence provided.

Member/Builder will be responsible for:

1) All Trenching–Primary and Secondary.
   Primary-4 feet deep minimum* After Final Grade.
   Secondary-2 feet deep minimum*After Final Grade.
2) All Backfilling—Primary and Secondary.
3) The cost of primary conductor required.
   Under no conditions will the Cooperative use member's conductor.
4) The cost of secondary conductor required.
   Under no conditions will the Cooperative use member's conductor.
5) The transformer's pad.
6) All conduit required.
7) A Delineated Utility Easement.
8) The installation of the meter can when required.
9) The cost of the meter pedestal when required.

The Cooperative will be responsible for:

1) The installation of the primary and secondary conductor up to meter location.
2) The installation of the conduit when required.
3) The installation of pad-mount transformer and the transformer pads.
4) The connection of primary and secondary conductor at all poles, transformers, junction pedestals, meter bases, etc.
5) The maintenance of the primary and secondary system up to meter base.
6) The Cooperative may require payment of a contribution in aid to construction for clearing of right-of-way when deemed necessary.

Ownership of the underground line to metering point shall remain with the Cooperative and the right to connect others is in no way waived. All specifications and distances involved shall be determined by the Cooperative.

402.1 PLATTED ADDITIONS, DEVELOPMENT AREAS, or SUBDIVISIONS

The Cooperative will install an underground distribution and/or secondary electric system in planned additions, development areas or subdivisions when six or more contiguous lots are scheduled for immediate development provided:

1) The soil conditions are suitable and underground construction is economically feasible for the Cooperative.

2) A central sewer system has been or will be installed by the developer and in such locations as not to interfere with the underground electric system.

3) The development or subdivision is not unduly speculative and will be developed in a step by step manner. If the development is determined to be unduly speculative, Section 404.1 (Extension Above Free Limits) shall apply.

4) All agreements provide that the Cooperative at its option may install either a front or rear lot system.

5) The Developer/ Builder Will Provide:

a) Right of way Easements and covenants satisfactory to the Cooperative.
b) A plat of the development showing easements, roads, finished grades, etc.
c) All on-site work related to underground electric system installations, including trenching, ditching, sanding and backfilling to required specifications, including any necessary boring under streets, obstacles or obstructions.
d) The cost of primary conductor in excess of an average of 150 feet per lot.
e) The cost of all secondary conductor and conduit.
f) All cost in excess of up to four (4) hours labor/backhoe rental allowance to dig secondary trenches.

6) The Cooperative will:

a) Supply a meter can for each permanent residential service.
b) Provide primary conductor up to150 feet per lot.
c) Will provide the secondary trench up to four (4) hours labor/backhoe allowance.
d) Install the conductor and conduit in the trench and make the connections on the source side of the meter base of the underground secondary conductor.
e) Supply transformer pads.
f) Maintain the underground distribution and secondary system to the “point of delivery”.

7) The Cooperative may require a payment of a contribution in aid to construction for clearing of right-of-way when deemed necessary.

8) Upon mutual agreement of the Cooperative and Developer/Builder, Cooperative contributions to any project can be modified when economically feasible.

Ownership of the underground line to metering point shall remain with the Cooperative and the right to connect others is in no way waived. All specifications and distances involved shall be determined by the Cooperative.

403 SERVICE TO MOBILE HOME PARKS

The Cooperative will install an underground distribution and/or secondary system in a mobile home park with at least eight (8) back to back installations provided:

1) The project is designed to serve mobile homes as opposed to travel trailers.

2) The soil conditions are suitable and underground construction is economically feasible for the Cooperative.

3) A central sewer system has been or will be installed by the developer and in such locations as not to interfere with the underground electric system.

4) The Developer provides:
   a) A right of way easement satisfactory to the Cooperative.
   b) A plat of the mobile home park showing all easements, roads, finished grades, etc.
   c) All on-site work related to underground electric system installations, including trenching, ditching, sanding and backfilling to required specifications, including any necessary boring under streets, obstacles or obstructions.
   d) The cost difference of meter pedestals to meter loops.
   e) The cost of primary conductor installed in excess of 150 feet per lot.
   f) The cost of transformer pads.
   g) The cost of secondary breakers when required.
   h) An agreement to guarantee for ten (10) years that annual revenues from the mobile home park shall equal ten percent (10%) of the cost of the electric system installed by the Cooperative to serve the park.
   i) An agreement to accept responsibility for protection of the cable.

5) The Cooperative will:
   a) Provide the primary conductor up to 150 feet per lot.
   b) Install the conductor in the trench and make all connections to the point of delivery.
   c) Provide the meter loop or cost equivalent towards the cost of meter pedestal.

d) Maintain the underground distribution system to the point of delivery.

6) The Cooperative may require payment of a contribution in aid to construction for clearing of right-of-way when deemed necessary.

7) Upon mutual agreement of the Cooperative and the developer, Cooperative contributions to any project can be modified when economically feasible.

Ownership of the underground line to metering point shall remain with the Cooperative and the right to connect others is in no way waived. All specifications and distances involved shall be determined by the Cooperative.

404 SERVICE OTHER THAN RESIDENTIAL UP TO 1000 kW

404.1 EXTENSION COSTS

If the extension of electric line necessary to furnish service to applicant is greater than specified in paragraph 401, the Cooperative shall provide electric service under the following conditions for loads up to 1,000 kW. Loads of 1,000 kW and above shall be served subject to Section 406.

1) The Cooperative shall require the applicant to deposit the cost of the extension upon execution of the Purchase Power Agreement.

2) In lieu of extension, pursuant to subparagraph 1) above, the Cooperative may contract to make an extension above the free limit based upon the estimated annual revenue from applicant, when the gross anticipated annual revenue from such extension will provide not less than twenty percent (20%) of the investment and the initial terms of such contract for purchase of power is not less than five (5) years. Such an agreement will be considered a standard contract.

3) Extensions applicable in prospective real estate subdivisions. In lieu of extension, pursuant to subparagraph 1) or 2) above, a developer desiring an extension to prospective real estate subdivision shall make a deposit equal to the estimated cost of the project, according to subparagraph 4) below, before construction is started, which deposit shall not draw interest. At least annually for a period of five (5) years, the Cooperative may refund to the developer a sum equivalent to the cost of the free extension (402.1) for each consumer connected to the extension during the calendar year. In no case will the total amount refunded exceed the amount paid to the Cooperative. Consumers located on an extension made pursuant to this policy will not be required to make an extension deposit. The Cooperative may enter into a contract with a developer for a guarantee of revenues in lieu of deposit, which shall be determined a special contract.

4) Determination of Cost. In arriving at the length of electrical line extension necessary to render service at any point, the distance from the point of delivery to the nearest electric distribution lines shall be measured along lines of probable construction and shall be measured from the center of the property last served, in cases of subdivision, or from the nearest electric distribution line to the point of delivery.

In determining the amount of contribution in aid of construction which shall be made by the applicant on an extension to be made under this section, the total construction cost of the extension shall be determined in accordance with the approved classification of accounts for electric cooperative utilities, and from which total construction cost there shall be deducted:

Cost incident to any increase in the size of electric line in excess of that necessary to provide adequate and satisfactory service; cost incident to future expansion or to continue a construction plan of the Cooperative; and cost necessary to correct inadequate capacity.

5) Every extension shall at all times be the property of the Cooperative, regardless of whether a contribution is made in aid of construction.

405 TEMPORARY SERVICE

When a temporary service is required by an applicant, the Cooperative shall require that the applicant pay all of the cost of installing and removing the service in excess of any salvage realized, and may require a deposit of such cost in advance. Temporary service is defined as service for purposes which by their very nature indicate short duration.

406 LOADS OF 1,000 KW AND ABOVE

The Cooperative will provide electric service to loads of 1,000 KW and above in accordance with REA Bulletin 112-6 or subsequent issues, subject to approval, when required, of the Rural Utility Services and other concurrent mortgagees. Each such load shall be served under a special contract for Purchase of Power Agreement and shall be approved by the Cooperative.

406.1 ALLOWABLE INVESTMENT

The additional investment required to serve such load shall not be in excess of five (5) times the estimated annual revenue produced by the load. A five-year contract providing for revenues over a five-year period shall not be less than the total investment required for service to such load.

406.2 EXCESS INVESTMENT

Where the additional investment required to serve an individual load represents more than five percent (5%) of the total distribution system investment, the Cooperative shall provide service under a special contract which shall protect the Cooperative's investment and other consumers from undue risks and cost burdens. Such contracts may be for longer terms than five (5) years.

406.3 GENERAL CONTRACT PROVISIONS

The Cooperative shall take into consideration when preparing such contracts to serve loads of 1,000 KW or more, the following:

1) Investment in extension of facilities to serve.

2) Estimated annual revenue produced by the load.

3) Terminated risks, including duration of service and customer's credit.

4) Initial term of contract.

5) Unusual fluctuation or disturbances to the Cooperative's system.

6) Special equipment necessary to provide non-standard voltage or above-normal continuity of service.

7) Other load characteristics, seasonal or otherwise.

8) Removal cost less salvage value

407 CHANGE OF SERVICE

If a change in service to consumer is required for the convenience or benefit of the Cooperative, the Cooperative shall pay such part of the cost associated with electric change out as determined by mutual agreement. However, if a change in service is required for the convenience or benefit of the consumer, the consumer shall pay such part of the cost associated with electric change in advance before the work can be performed by the Cooperative.

408 NON-USE OF ELECTRIC SERVICE

Where the Cooperative has extended electric service to consumer and such service is not being used, after a reasonable time, the Cooperative may attempt to notify the owners that:

1) If the service is not used at this location and at least the minimum monthly charge paid each month, the electric service will be subject to removal, and at the convenience of the Cooperative this service will be retired.

   a) That if this service is rebuilt while the owner still owns any interest in this property, a payment covering the labor cost of retiring and rebuilding the service will be required prior to rebuilding the service or the Cooperative, at its option, may apply the rules governing the extension of its lines to new consumers.

2) If the owner so desires, the owner may elect to hold this service without it being energized and a meter set by paying a monthly minimum of $12.00 per month plus applicable taxes.