



**Randolph Electric
Membership Corporation**
Your Touchstone Energy® Cooperative 

Owned by those we serve

Service Rules & Regulations

Asheboro, North Carolina

Revised May 2016

Electric Consumer Bill of Rights

Electric cooperative utilities are unique in that they are owned and controlled by the consumers they serve. In an evolving restructuring of the entire electric industry, electric cooperatives are vigorously pursuing policies that will protect the individual and economic interests of all consumers.

Included among these interests are:

- The right to have access to reliable, affordable and safe electric power.
- The right to join together to establish and operate a consumer-owned not-for-profit electric utility.
- The right of consumer-owned not-for-profit systems to be treated fairly and recognized as a unique form of business.
- The right to elect representatives to manage their consumer-owned form of business to best meet their needs.
- The individual right to privacy that assures information about consumers will not be released without their prior express consent.
- The right to determine the scope of energy services to be furnished through their consumer-owned not-for-profit utilities.
- The right to use consumer-owned not-for-profit utilities to provide additional services that meet the needs of their consumers and communities.
- The right to work in cooperation with other consumer-owned entities with common goals.



Randolph Electric Membership Corporation

Main Office

879 McDowell Road
PO Box 40
Asheboro, NC 27204
(336) 625-5177
(800) 672-8212

Robbins Office

201 S. Middleton Street
PO Box 880
Robbins, NC 27325
(910) 948-3401
(800) 868-7014

Office Hours: 8:00 a.m. to 5:00 p.m.
Monday through Friday

Board of Directors

Bob Wright.....President
Jerry Bowman.....Vice President
Sue Spencer.....Secretary/Treasurer
Tammie Phillips.....Assistant Secretary/Treasurer
James Andrews.....Director
Delbert Cranford.....Director
Steve Harris.....Director
Billy Maness.....Director
Larry Routh.....Director

Chief Executive Officer

Dale F. Lambert.....Chief Executive Officer

Automated Billing Inquiry & Payment System

(877) 534-2319

Report a Power Outage

1-877-REMC-OFF (1-877-736-2633)

Before reporting a power failure, check house fuses and/or breakers first. Then, if problem is not corrected, call the outage number listed above. If you get a busy signal, it is an indication that someone else is reporting an outage. **Please continue to call 1-877-736-2633.**

**RANDOLPH ELECTRIC
MEMBERSHIP CORPORATION**

**SERVICE RULES
& REGULATIONS**

May 2016

TABLE OF CONTENTS

MEMBERSHIP AGREEMENT WITH MEMBER/OWNER 4

STATEMENT OF NONDISCRIMINATION.8

DEFINITIONS.8

100 ELECTRIC SERVICE AVAILABILITY

101 Application for Membership10

102 Security Deposit11

103 Additional Service Connections12

104 Area Coverage and Line Facilities12

105 Metering Facilities12

106 Meter Tampering12

200 CONDITIONS OF SERVICE

201 General Conditions13

202 Standard Supply Voltages14

203 Service Interruptions15

204 Right-of-Way Maintenance16

205 Power Factor16

206 Foreign Power, Parallel Service, Standby Generation . . .16

207 Qualifying Facilities and Independent Power Producers . .17

208 Lines & Facilities Conversion & Relocation17

209 Energy Management Assistance17

300 BILLING

301 Responsibility to Read Meter17
302 Due Dates and Failure to Pay18
303 Multiple Services18
304 Bill in Dispute18
305 Method of Payment19
306 Returned Checks19
307 Correction for Errors19
308 Credit20
309 Unavoidable Cessation of Using Electric Service20

400 DISCONNECTION AND RECONNECTION

401 Disconnection of Service by Cooperative20
402 Cold Weather Disconnection21
403 Reconnection of Service by Cooperative21
404 Termination of Service by Member22

500 COOPERATIVE AND MEMBER OBLIGATIONS

501 Approval & Cooperative's Board Authority22
502 Responsibility of Member & Cooperative22
503 Complaint Procedure23

APPENDICES

APPENDIX 1 TYPES OF SERVICE24
APPENDIX 2 SCHEDULE OF CHARGES27
APPENDIX 3 LINE EXTENSION POLICY28

Membership Agreement

These Service Rules and Regulations, as part of the Service Agreement between Randolph Electric Membership Corporation (Cooperative) and the Member, govern the supply and receiving of electric service. Membership is available to all persons within the service area of the Cooperative on a non-discriminatory basis as set forth in the Bylaws of the Cooperative. This document highlights the main points found in the Service Agreement and does not constitute a contract between the Cooperative and the Member.

As a Member of the Cooperative, you are both a consumer and an owner of the Cooperative. You have the right to vote in selecting the Cooperative's Board of Directors. The Board of Directors sets policies that determine how the Cooperative operates.

We take great pride in providing you with quality service. Quality service is our most important product. We will endeavor to maintain at all times the quality service that you expect and deserve; however, we cannot guarantee continuous and uninterrupted service.

The following is a general summary of what you can expect from the Cooperative:

1. You have the right to electric service if you establish satisfactory credit and provide the Cooperative with necessary and reasonable access to your property for your electric service and that of neighboring property.
2. All deposits for small commercial and/or industrial accounts are handled on a case-by-case basis. Randolph EMC will accept a letter of credit for a small commercial/industrial account from another electric company. The letter of credit must pertain to a previously existing business using the same name.

Randolph EMC uses the Online Utility Exchange system to determine a deposit for a residence, general commercial service or camper site.

If you have a residence, camper or general commercial service, and if you agree to have an Online Utility Exchange report run on the information you are asked to provide, your deposit may be waived if the score is 0-10.9%. This signifies you have good Credit and there is no need for us to charge you a deposit.

If you are applying for service for a camper/small farm service and your score is anything other than 0-10.9%, you will be required to pay a \$50 deposit.

If the application for service is for a residence and your score is between 11.0-24.9%, you will be charged a \$200 deposit. If your score is between 25.0-50.0% you will be charged a \$300 deposit.

If your score is between 50.1-100% you will be charged a \$400 deposit. If you have not established credit anywhere, owe an outstanding balance at another utility, or if you give us a fraudu-

lent Social Security number you will be charged a \$400 deposit. If you do not agree to allow us to run a credit check you will be charged a \$400 deposit.

You may have a “member in good standing” (defined on page 8) who has been with Randolph EMC for three years, and can provide a valid Social Security number, guarantee payment of your electric bill up to the \$400 deposit level.

Deposits can be made in cash, checks or by the use of a major credit card (VISA, MasterCard, Discover).

The cooperative may waive any or all of the deposit required for seasonal loads.

3. All deposits will be refundable after twelve (12) consecutive months of maintaining an ‘A’ credit rating (defined on page7).
4. A past-due date will appear on your monthly bill. It will be the same date each month. The date will depend on the billing cycle under which you are billed. The following table shows the past-due date for each cycle:

CYCLE	PAST-DUE DATE
1	28th of Month
2	5th of Month
3	12th of Month
4	19th of Month

5. The Cooperative will notify you with an automated phone call telling you that you have at least seven (7) days before your electric service can be disconnected for failure to pay electric bills. This notice will explain the reason why the Cooperative plans to disconnect the service, state the date after which the service may be disconnected and explain what you can do to keep the service from being disconnected. The disconnect notice will state that the Cooperative’s office can be contacted prior to the disconnection date to discuss credit arrangements if you cannot pay the bill.
6. As a Member you can name another person to receive a copy of any disconnect notice. This other person may be able to help you avoid having your electric service disconnected but is not obligated to pay the bills.
7. You have the responsibility to notify the Cooperative by certified mail if there is someone in your household who is either chronically or seriously ill, disabled or on an electrically operated life support system. In that case, the Cooperative will assist you in making arrangements to pay the bill, should service become subject to disconnection for your failure to pay your electric bills.
8. If the Cooperative plans to disconnect your electric service because you have not paid your electric bills and if you can show that you are unable to pay the balance due, you have the right to

make installment payments designed to pay your account in full within six months. These installments will be in addition to the regular monthly bills.

9. The Cooperative will not disconnect electric service for non-payment after 4:00 p.m. on a Friday or on a weekend or a legal holiday.
10. Members may elect to participate in the FlexPay program, which allows members served on general service residential rate schedules "A" and "A-EE", to pay for their electricity usage in advance. Members participating in this program are not subject to normal security deposit requirements. A connection charge as described in Appendix 2 of the Service Rules and Regulations is required at enrollment, as well as a \$50 minimum prepayment into the FlexPay account. Members will also incur an additional charge of \$7 per 30 days to participate in the program. Existing members may convert to the FlexPay program. Existing deposits, if any, will be applied toward any outstanding balance, with the remaining credit applied to the member's FlexPay account. Outstanding balances not covered by deposits, at the discretion of the cooperative, may be collected in installments. Payments can be made in any amount, with a minimum payment of \$10 per transaction. FlexPay accounts will be subject to immediate disconnection within 24 hours of the account reaching a negative balance. Service disconnected due to a negative account status will require payment of any outstanding balance, plus a minimum \$25 deposit to the FlexPay account for service to be restored.
FlexPay participants will not receive a monthly billing statement and are under obligation to know and/or to determine the amount of the credit balance at anytime. Account history, usage, charges and payment will be available via the Internet at RandolphEMC.com or by dialing 1-877-534-2319. Participating members will receive automated account alerts via telephone messaging, text and/or email. For FlexPay participants in the event of a returned check, the check amount will be immediately charged back to the account in addition to adding a returned check fee of \$25. FlexPay participants may elect to convert their account to a traditional service at any time. At such time the Cooperative may require full payment of a security deposit based on current policy and risk assessment. Service terminated at the request of the member will receive a refund of any remaining credit on the account. For amounts less than one dollar, the member must specifically request a refund.
11. You have the right to have the Cooperative test your electric meter for accuracy and to have a report of the test results given

to you. A fee will be charged for the testing; the fee will be refunded if the meter is found to be outside acceptable accuracy limits.

12. You will be provided with a packet of information containing Cooperative bylaws; residential rates; rules and regulations; information on meter reading, rebates, conservation practices, services available, and reporting of power failure; and a statement of nondiscrimination when you are accepted for membership in the Cooperative. The Cooperative will send you upon request, without charge, a copy of your billing information for the past twelve months.
13. A full and prompt investigation will be made of all service complaints. Report quality-of-service or billing complaints promptly to either the Asheboro office or the Robbins office. If you are not satisfied with the response that you get to a complaint, ask to speak to a department head. If complaints cannot be settled with Cooperative personnel, the North Carolina Rural Electrification Authority has been charged with the responsibility of working with Members to help them get their complaints handled in a satisfactory manner. The address for this agency is 430 North Salisbury Street, Dobbs Building, Raleigh, North Carolina 27699-4321. The telephone number for the NCREA is (919) 814-4696.
14. You may request and have installed by the Cooperative at your expense, types of service that exceed what is normally supplied, provided that they meet the general conditions in the Service Rules and Regulations. If you need such services, please call us.
15. As a Member of this Cooperative, you will share in margins called Capital Credits, which are assigned in the Members' names. The refunding of Capital Credits is at the discretion of the Board of Directors.

Office and Service Hours

The Cooperative's main office is located at 879 McDowell Rd., Asheboro, North Carolina. The Cooperative has a branch office located on 201 S. Middleton Street in Robbins, North Carolina.

All offices are open for business between the hours of 8:00 A.M. and 5:00 P.M. Monday through Friday. Routine and regular service work is performed during the hours of 7:30 a.m. through 4:00 p.m. Monday through Friday, except holidays. Service work for unusual conditions or circumstances may be arranged at other times upon request. Emergency service work is performed 24 hours a day, 7 days a week.

Service personnel may be reached in Asheboro by calling (336) 625-5177 or (800) 672-8212. In Robbins, call (910) 948-3401 or (800) 868-7014.

Statement of Nondiscrimination

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

This institution is an equal opportunity provider.

Definitions

'A' Credit Rating - A Member who has paid his/her electric bill on or before the due date and has not written any returned checks or had any violations of meter tampering.

Applicant - A Member or prospective Member who has applied for service.

Area Coverage - The public policy of obligating the Cooperative to provide service, on a nondiscriminatory basis, to all persons and entities desiring electrical service within a service territory assigned to the Cooperative.

Billing Period - The time period between two successive, scheduled meter readings.

Capital Credits - The amounts of the Cooperative's margins allocated to individual Members and returned on a periodic basis as determined by the Board of Directors.

Clean and maintained right-of-way - Right-of-way area that is regularly maintained free of logs, brush and trees.

Cooperative - Randolph Electric Membership Corporation

Conservation - The practice of efficiently and effectively using electric generating and transmitting facilities while avoiding wasteful consumption of electrical energy.

Co-Signing - A member in good standing is eligible to co-sign for one other account if he or she has had three years of service with Randolph EMC and can present a valid Social Security Number. The member in good standing is limited to co-signing for one active account. (*See Member in good standing definition below.*)

Delinquent bill - A bill for which payment is not received in the office by the close of business on the past-due date.

Electric service - The Cooperative's legally imposed duty of supplying to an established point of delivery energy service in the form of an alternating current of frequency at nominal 60 cycles per second and of various nominal voltages.

FlexPay – a program that allows members billed under general service residential rate schedules “A” and “A-EE” to pay for their electricity usage in advance.

Foreign Electricity - Any electricity used by the Member that is obtained from a source other than the Cooperative. This includes, but is not limited to, power obtained from other power suppliers and customer-owned generators.

Member - Any person or legal entity who has applied for and been accepted into membership of the Cooperative for the purpose of receiving electric service.

Member in good standing - Any member who has fulfilled all obligations of the Member for any and all accounts under the Member's name and who, within the previous twelve months has had (1) no more than one disconnection notice generated, (2) no involuntary disconnections, (3) not more than one returned check, or (4) no violation of meter tampering.

Meter Tampering - Diversion of power or the unauthorized alteration or manipulation of the Cooperative's meter, wires, seals, load management equipment, or other apparatus in such a way as to prevent the meter from recording under seal the amount of electric service supplied to the Member. (This is a misdemeanor under North Carolina GS 14.151, subject to penalty and affects the status of Member in good standing.)

NCEMC - North Carolina Electric Membership Corporation located in Raleigh, North Carolina is the wholesale supplier of electricity for

26 Cooperatives in North Carolina. NCEMC is a cooperative owned by the 26 Cooperatives in the same manner that the Members receiving retail electric service from the Cooperatives own the Cooperatives.

Permanent - Buildings, which have permanent foundations and permanent water and sewer facilities.

Point of Delivery - The point at which ownership of the electric service is transferred from the seller to the buyer. The Point of Delivery will be, unless otherwise specified, where the Cooperative's wiring system terminates in the delivery of electric service to the Member's wiring system. On overhead services the Point of Delivery will be the weatherhead, and on underground services the Point of Delivery will be the line side of the meter base; however, the Member may be required to provide and maintain certain facilities between the Cooperative's facilities and the meter.

Seasonal - Member facilities or premises that are active, in use or inhabited on a part-time basis, or during only certain months of the year.

Service Agreement - The agreement between the Cooperative and Member consisting of the following:

Membership Application, signed by Member and Cooperative (with security deposit, if required),

Bylaws,

All necessary right-of-way easements,

Current applicable rate schedules and riders,

Load management agreement (if applicable), and

Current Service Rules and Regulations.

Service Voltage - The voltage at the point where the electric systems of the supplier and the user are connected (Point of Delivery). The Service Voltage is usually measured at the service meter base or entrance switch and allowable variations are usually expressed on a 120-volt base.

Standard service connection - Unless otherwise stated or agreed to by the Cooperative, the standard service connection will be single phase, 60 cycles per second electric service provided to the point of delivery at the Cooperative's standard supply voltages.

General Service Rules and Regulations

100 Electric Service Availability

101 Application for Membership

The Service Agreement between The Cooperative and its Member will consist of the following:

Membership Application, signed by Member and Cooperative (with security deposit, if required),

Bylaws,
All necessary right-of-way easements,
Current applicable rate schedule and riders,
Load Management Agreement (if applicable), and
Current Service Rules and Regulations.

A supplemental written contract on a form provided by the Cooperative may be required from any applicant whose estimated demand is 50 kW or more.

The Cooperative's form of Application for Membership must be completed, signed and submitted. Applications for joint membership require the signature of each individual. Neither the Membership nor the Service Agreement is transferable or assignable; however, capital credits may be transferred to the Cooperative or to another Member if authorized by the Member. A non-refundable connection charge, as specified in the Schedule of Charges, will be required.

When two or more rate schedules and/or riders are available, the Cooperative will assist in the selection, but it is the Member's right and responsibility to determine which to select. Refer to Appendix for descriptions of the available Rate Schedule and Riders.

102 Security Deposit

A security deposit may be collected in advance of service connection or at any subsequent time when the Cooperative determines that a deposit is needed to ensure payment of bills. A Member in good standing that terminates service at one location and begins like service at another location within the Cooperative's service area will not be charged a security deposit for the service of the new location.

Deposits other than those described above will be required by special contract or when, as determined by the Cooperative, such deposit is necessary due to the type of service. Such deposit will be based upon the risk of a business enterprise, the reputation and history of the premises, or the credit rating and the financial dependability of the Member.

For a residence, a guaranteed payment of your bills up to the amount of deposit from a Member in good standing who has been with Randolph EMC for three years and can provide a valid Social Security number will be acceptable. The Cooperative will endeavor to fully explain all means of establishing credit. As an alternative for small commercial and/or Industrial accounts, the Cooperative will accept a letter of reference stating that the applicant has been a recent consumer of an electric utility and that demonstrates that the payment record over the last twelve months satisfies the Cooperative's status of an 'A' credit rating.

In all cases where a security deposit is required under the Cooperative's applicable rules and regulations for a commercial account, a surety bond may be substituted, provided the surety is

issued by an insurance company licensed to do business in the state of North Carolina; and further provided, the surety bond meets the requirements outlined in the form of surety bond as stated in the Cooperative's pre-approved form.

The deposit will be applied against the Member's account after a period of twelve (12) consecutive months during which the Member maintains an 'A' credit rating.

A deposit may be required at any time if the Member payment record falls below that of a Member in good standing. Upon termination of membership, the security deposit (if not already refunded) will be refunded or applied against any unpaid balance owed to the Cooperative.

103 Additional Service Connections

A Member may have any number of service connections under one membership. The Member may be obligated to pay, pursuant to the above Section 102, the applicable service security deposit for each additional service and will be obligated to pay for all electric demand and energy used on the premises at the Cooperative's applicable rates. A Member with more than one account is equally responsible for current payment of all accounts, and service may be denied for a new service for failure to pay on another account in the name of that Member.

104 Area Coverage and Line Facilities

In providing area coverage service, the Cooperative will provide a standard service connection that requires no facilities or services in excess of those normally provided by or acceptable to the Cooperative. The Cooperative may require additional fees for line extensions beyond the limits as provided by Cooperative policy.

When a Member or an individual requests that the Cooperative supply electric service in a manner which requires equipment and facilities in excess of those which the Cooperative would normally provide, and the Cooperative finds it practical to do so, such excess equipment and facilities will be provided as excess facilities at the expense of the Member. Costs will be collected through excess facilities charges and/or contributions-in-aid of construction as agreed upon by the Cooperative and the Member.

105 Metering Facilities

Members applying for more than one class of service on the same premises will arrange their wiring so that each class of service can be metered separately. Regardless of ownership of the facilities, the Cooperative will have the right, at its option, and at its own expense, to place demand meters, voltmeters, locking devices, or other instruments on the premises of the Member for the purpose of monitoring and maintaining the Member's service.

106 Meter Tampering

Meter tampering is a serious offense at Randolph EMC. A meter-tampering fee of \$250, in addition to a \$400 deposit will be charged

for first-time offenders to secure the account. If there is a second offense or more, a meter-tampering fee of \$400 will be charged. If the Member already has a deposit on file, Randolph EMC will charge the difference for the deposit and collect the \$250 or \$400 meter-tampering fee. (The NC law that pertains to meter theft is NC Law G.S. 14-151.1)

200 CONDITIONS OF SERVICE

201 General Conditions

The Cooperative will supply electrical service to the Member after all of the following conditions are met:

The Member is in compliance with all aspects of the Service Agreement and agrees to be bound by the Cooperative's Articles of Incorporation and Bylaws.

The Member agrees to furnish without cost to the Cooperative all necessary easements and rights-of-way.

The Member agrees to have all streets, alleys, and driveway entrances graded to within six (6) inches of final grade and have lot lines established before installation or extension of electrical service begins.

The Member agrees that the Cooperative will have right of access to Member's premises at all times for the purpose of reading meters, testing, repairing, removing, maintaining or exchanging any or all equipment and facilities which are the property of the Cooperative, or when on any other business between the Cooperative and the Member. In cases where it is reasonably necessary and cost effective, the Cooperative may use, without payment to the Member, the Member's premises for accessing neighboring property served by the Cooperative.

Any outstanding debts owed to the Cooperative by the Member or any other person in the Member's household, have been paid.

Provision of service in no way conflicts with public authorities.

All Member wiring and equipment has met the requirements of the National Electrical Code and of the Cooperative, in addition to the specifications of any local authorities having jurisdiction. Proof of inspections required to meet local and state governmental standards of the premises wiring has been made available by the Member.

The Member has not connected, and agrees not to connect in the future, any motors or other equipment which are not suitable for operation with the character of the service supplied by the Cooperative or which adversely affect the Cooperative's equipment or the service to other Members.

The Member agrees to be responsible for any additional facilities, protective devices, or corrective equipment necessary to provide

adequate service or prevent interference with service to the Cooperative's other Members. Such loads include, but are not limited to, those requiring excessive capacity because of large momentary current demands or requiring close voltage regulation, such as welders, X-ray machines, shovel loads, or motor starting across the line.

The Member agrees to be responsible for notifying the Cooperative of any additions to or changes in the Member's equipment that might affect the quality of service or might increase the Member's demand.

The Member agrees that when multi-phase service is furnished, the Member will at all times maintain a reasonable balance of load between the phases. Three-phase motors with high-starting or fluctuating currents must be installed in accordance with the Cooperative's Rate Schedule and Riders and Rules and Regulations.

The Member agrees to promptly notify the Cooperative by certified letter if there is someone in his or her household who is either chronically or seriously ill, disabled or on an electrically operated life support system.

202 Standard Supply Voltages

The Cooperative maintains one system of alternating current at a standard frequency of 60 cycles per second that is supplied throughout its system and within prudent utility practices. The Cooperative will determine the voltage, number of phases, and type of metering that will be supplied depending upon the Cooperative's facilities available and upon the character, size and location of the load to be served. The Member will consult the Cooperative before proceeding with the purchase or installation or wiring of equipment. To avoid misunderstanding, this information should be in writing from both the Member and the Cooperative.

The service voltages described below are nominal, and variations permitted will be not less than 114 volts or more than 126 volts on a 120-volt basis.

Single Phase, 2 Wire, 120 Volts

Single Phase, 3 Wire, 120/240 Volts

Three Phase, 4 Wire, WYE, 120/208 Volts

Three Phase, 4 Wire, Delta, 120/240 Volts*

Three Phase, 4 Wire, Delta, 240/480 Volts*

Three Phase, 4 Wire, WYE, 277/480 Volts

* Not available from underground primary source.

Other voltages may be supplied upon presentation of evidence that the above voltages are not suitable for the load being served. The standard primary voltages described below are nominal and are subject to a plus or minus 6% variation.

Single Phase, 2 Wire 7,200 Volts

Three Phase, 4 Wire 7,200/12,470 Volts

Single Phase, 2 Wire	14,400 Volts
Three Phase, 4 Wire	14,400/24,900 Volts
Single Phase, 2 Wire	13,800 Volts
Three Phase, 4 Wire	13,800/23,900 Volts

It will not be considered a violation of this voltage standard when voltages outside of the prescribed limits are caused by any of the following:

Action of the elements,
 Service interruptions,
 Temporary separation of parts of the system from the main system,
 Infrequent fluctuations of short duration,
 Voltage control for load management purposes,
 Other causes beyond the control of the Cooperative,
 Addition of Member equipment without proper notification to the Cooperative,
 Emergency operations, or
 The operation of the Member's equipment.

203 Service Interruptions

The Cooperative does not guarantee continuous and uninterrupted service and will not be liable for loss or damage to any Member's equipment, belongings, real property, business losses or consequential damages caused by any failure to supply electric service or by any interruption or reversal of the supply of electric service, if such is due to any cause beyond the reasonable control of the Cooperative.

Such causes include, but are not limited to:

- A. An emergency action due to 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 electric service to some consumers or areas in order to limit the extent or damage of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, or to effect a reduction in service to compensate for an emergency condition on an interconnected system.
- B. An Act of God, or the public enemy, or insurrection, riot, civil disorder, fire, or earthquake, or an order from Federal, State, Municipal, County or other public authority.
- C. Making necessary adjustments to, changes in, or repairs on lines, substations, and facilities, and in cases where, in the Cooperative's opinion, the continuance of service to consumers' premises would endanger persons or property.

The Member will notify the Cooperative immediately of any defect in service or of any trouble or irregularity to the electric supply.

Maintenance work on lines or equipment requiring service interruption will be done, as far as practicable, at a time that will cause the least inconvenience to the Members. The Members to be

affected by such planned interruptions will be notified in advance, if practicable.

204 Right-of-Way Maintenance

The Member will grant to the Cooperative, and the Cooperative will maintain right-of-way according to its specifications with the right to cut, trim and use herbicides to control the growth of trees and foliage located within the right-of-way or that may interfere with or threaten to endanger the operation or maintenance of the Cooperative's line or system. When trimming right-of-way, the Cooperative will remove debris at its expense from "clean and maintained" areas; that is, an area that is regularly maintained free of logs and brush, but not the removal of stumps. In other areas, right-of-way debris will be left in the right-of-way limit.

Members who desire to have trees trimmed or cut which are close to Cooperative power lines and, in the opinion of the Cooperative, pose a possible hazard to the lines may request assistance from the Cooperative in cutting or trimming. The Cooperative will schedule such work at its convenience. The member is responsible for removal of debris after trimming/cutting assistance is provided.

205 Power Factor

The Member will at all times maintain a power factor at the point of delivery between 95 percent (95%) lagging and 100% (100%). Where the overall power factor of the Member's load is less than 95 percent (95%) lagging, the Cooperative may require the Member to install at the Member's own expense equipment to correct the power factor, and may adjust the Member's billing demand as specified by the applicable rate schedule. The Cooperative reserves the right to measure the power factor at any time.

206 Foreign Electricity, Parallel Service and Standby Generation

The Member will not use the Cooperative's electric service in parallel with other electric service, nor will other electric service be introduced on the premises of the Member for use in conjunction with or as a supplement to the Cooperative's electric service, without the prior written notification to the Cooperative.

Where approved standby and/or supplemental on-site generation is provided by the Member, parallel operation of the Member's generating equipment with the Cooperative's system will not be allowed, without express permission of the Cooperative. The Member will install all protective devices specified in the National Electric Code, or the National Electric Safety Code, as applicable. **All standby generators must be interconnected through a double throw switch.** A double throw switch prevents injury to cooperative personnel and protects equipment by making it impossible for power to backfeed into the main line from the emergency generator.

207 Qualifying Facilities and Independent

Power Producers

The Cooperative is required to comply with the Public Utility Regulatory Policies Act of 1978 (PURPA), along with rules and regulations promulgated under PURPA as they relate to qualifying facilities (QF). Any owner/operator of a QF desiring to connect with and sell electric demand and energy to the Cooperative shall notify the Cooperative. The Cooperative will provide the owner/operator with its current rates as specified in the attached Current Applicable Rate Schedule and Riders.

Any contracts for the sale of electric demand and energy from a QF will be made between the owner/operator and the Cooperative or NCEMC. The Cooperative will assist the owner/operator in making initial contact with NCEMC.

Also through a similar prior arrangement with NCEMC, all contracts for the sale of electric demand and energy from an independent power producer (IPP) will be made between the owner/operator and NCEMC. The Cooperative will assist the owner/operator in making initial contact with NCEMC.

208 Line and Facilities Conversion and Relocation

Upon request, the Cooperative will, consistent with prudent utility practice, relocate lines, poles, and facilities upon agreement and payment of the nonbetterment cost. Any additional right-of-way necessary for relocation will be the responsibility of the Member to obtain.

At a Member's request, the Cooperative may convert existing adequate overhead facilities to underground, provided that the Member pays the Cooperative for the cost incurred.

Under most circumstances, the Cooperative will, upon request, raise or lower lines to afford a safe passage for buildings or equipment being moved. Parties making such requests will be required to pay the cost of the labor and any material used, plus an appropriate charge for transportation equipment. Also, such parties will be required to make a deposit, in advance, of the estimated cost to the Cooperative.

209 Energy Management Assistance

The Cooperative will, at no charge, investigate, render advice and lend assistance needed for all reasonable requests of the Member pertaining to the Member's account, usage, bill, load management equipment, and energy conservation measures.

300 BILLING

301 Responsibility to Read Meter

Meters will be read and bills rendered by the Cooperative. When a meter cannot be read on or about the scheduled date, the meter reading and corresponding use for the period will be estimated

based on prior usage. Accounts billed on an estimated basis will be adjusted as necessary when actual readings are obtained. An explanation of the meter-reading process can be obtained from the Cooperative.

302 Due Dates and Failure to Pay

Bills are due and payable upon receipt and are considered delinquent if payment is not received in the office by the close of business on the Past Due Date. Members whose bills become delinquent may be charged a late payment charge. If the bill is delinquent after the Past Due Date, an automated phone call will be made to the Member. This notice will explain the reason why the Cooperative plans to disconnect the service, state the date after which the service may be disconnected and explain what you can do to keep the service from being disconnected. The disconnect notice will state that the Cooperative's office can be contacted prior to the disconnection date to discuss credit arrangements if you cannot pay the bill.

If the account remains delinquent on the disconnection date, a supervisor within the Cooperative will review the account to determine if the Member has taken the necessary action to avoid disconnection.

The Cooperative may either refer the account to a collection agency at the cost to the Member or dispatch field personnel to read the meter and make the effort to notify the Member, receive payment, make satisfactory credit arrangements, agree to defer action because of death or illness, or disconnect. The field personnel may require payment of all past due portions of the delinquent bill plus a field collection fee, as specified in the Schedule of Charges, or disconnect the service without further notice.

Members may request in writing that a copy of any disconnect notices be sent to a specified third party.

The Cooperative may waive the above notification and disconnection procedure for up to one billing cycle for members who have an 'A' credit history rating.

303 Multiple Services

If a Member has more than one account, the Cooperative reserves the right to apply any payment made by the Member to any account owed to the Cooperative by the Member. All funds received will first be applied to any interest and penalty on the delinquent account(s) with the remaining funds to be applied against the electric service bill.

304 Bill In Dispute

Failure to receive a bill does not exempt a Member from payment. A duplicate bill may be obtained from the Cooperative. Neither a

dispute concerning the amount of a bill nor a claim or demand by the Member against the Cooperative will alter the normal requirements for payment. See Complaint Procedure in Section 503 for resolution of disputed bills.

305 Method of Payment

Payments may be made through any of the district offices of the Cooperative. Payments may be made:

- in person,
- in the after-hours deposit facility,
- by mail (check or money order only)
- by bank draft,
- major credit card (Discover, MasterCard, and/or VISA)
- online via www.randolphemc.com, or
- by calling toll-free (877) 534-2319 (24 hours a day, 7 days a week).

A budget billing procedure is offered by the Cooperative for Members who request leveled payments throughout the year by completing and signing the Cooperative's Budget Billing Agreement (See Appendix).

306 Returned Checks

Any Member whose check for payment of service is returned for insufficient funds will be notified immediately and a returned check fee will be added to the Member's account. Such charge will be up to the maximum allowed by North Carolina law (GS 25-3-572). If the Member is in good standing, the Cooperative will attempt to notify the Member. The returned check fee and account will be considered to be delinquent, and the delinquent billing handled in accordance with Section 302. If the Member is not in good standing and payment is not made within three days after the date of notification, service will be discontinued. If the Cooperative receives more than two such checks from a Member in the previous 12-month period, the Cooperative may refuse to accept further checks from that Member.

307 Corrections for Errors

Billing Adjustments - Adjustments to the electric bill due to inaccurate metering equipment, errors in meter reading or billing will be made promptly. The Cooperative will issue immediate credit when it is in error and the Member will be expected to pay any appropriate additional charges as billed. Payments to the Cooperative may be made in installments over the same period of time during which the error occurred.

If the interval during which the error occurred cannot be determined, then the billing adjustment will be based on an appropriate estimation of usage and/or demand for a period of twelve months.

When a meter stops or fails to register correctly, or if the calibration is found to be in error of more than plus or minus two percent (2%), the Member's account will be adjusted accordingly. The

Cooperative will periodically test and inspect its meters.

A Member may request in writing that a meter be tested. A report will be supplied to the Member within a reasonable time after the completion of the test. A meter test charge, as specified in the Schedule of Charges, will be imposed and refunded if the meter is found to be in error in excess of plus or minus two percent (2%).

308 Credit

At the discretion of the Cooperative, credit may be extended to Members in accordance with the following standards:

- A. When it is determined that enforcement of the policy will constitute an undue hardship in relation to the amount of the delinquent bill, and that extension of credit for a fixed time, or arrangement for installment payment of the bill will not unduly impair the Cooperative's ability to effectuate final collection of the bill; or
- B. When the Member involved establishes to the satisfaction of the Cooperative that the Member's failure to pay the bill has resulted from a mistake on the Cooperative's part or a mistake for which the Member was not responsible; or
- C. When the involved bill is a final bill covering service to a farm, home, or other residential structure and the main building thereof has been destroyed by fire not caused by act of arson on the part of the Member or the Member's family; or
- D. When disconnection of service might impose immediate danger to the Member or other persons due to illness or some hazardous condition, or when the household is immediately and directly affected by a death.

309 Unavoidable Cessation of Service by Member

In the event the Member's premises is destroyed by fire, natural disaster, or other casualty, or the operation of its plant is shut down because of strike, fire, natural disaster, or other cause beyond the Member's control, making a complete cessation of service, then upon written notice by the Member to the Cooperative within thirty (30) days thereafter, advising that the Member intends to resume service as soon as possible, any minimum charge, or guarantee occurring after such cessation of service for which the Member may be liable will be waived during the period of such cessation, and the contract will be extended for a corresponding period. The Member's obligation to pay for charges incurred before cessation may be postponed with interest. Otherwise, the agreement for service will immediately terminate.

400 DISCONNECTION AND RECONNECTION

401 Disconnection of Service by Cooperative

Service may be disconnected after notice has been given and reasonable time to comply has been allowed for noncompliance with the Bylaws of the Cooperative, the Service Agreement with the

Cooperative, or any applicable Federal, State or other local laws, regulations or codes, including, but not limited to, nonpayment and refusal of access to the Cooperative's meters or other facilities on the premises.

The Cooperative may disconnect service immediately and without notice for the following reasons:

- A. Discovery of meter or load management equipment tampering or diversion of current.
- B. Use of power for unlawful, unauthorized or fraudulent reasons.
- C. By order of public authority.
- D. Discovery of an electrical condition determined by the Cooperative to be potentially dangerous and eminently hazardous to life or property of the Cooperative or the public.
- E. For repairs, emergency operations, unavoidable shortages, or interruptions in the Cooperative's supply source.
- F. Introduction of foreign electricity on the premises without prior written consent.

Waiver of default - Any delay or omission on the part of the Cooperative to exercise its right to discontinue service, or the acceptance of a part of any amount due, will not be deemed a waiver by the Cooperative of such right if the Member continues to be or again becomes non-compliant with the Service Agreement.

402 Cold Weather Disconnection

The Cooperative will not disconnect the power of any Member for nonpayment if the overnight temperature is expected to be below 32 degrees Fahrenheit. If, on receipt of Past Due Notice, a Member feels that the bill cannot be paid prior to the date for disconnection, he or she should contact the Cooperative so that arrangements can be worked out to prevent disconnection.

403 Reconnection of Service by Cooperative

Subsequent to the disconnection of electric service by the Cooperative for reasons listed in the previous section, service may be reconnected under the following conditions:

The conditions causing the disconnection are corrected.

Payment has been made for the cost of repair or replacement of the Cooperative's meter or any other properties, if tampered with or otherwise damaged or destroyed.

Where the service has been discontinued for non-payment of a bill, meter tampering, unauthorized or illegal use of power, the Cooperative will have the right to refuse service to the same Member or to any other applicant who is a Member of the Member's household until the infraction is corrected, credit is reestablished by the Member and all applicable accounts have been paid.

The Member has agreed to comply with reasonable requirements to protect the Cooperative against further infractions.

A reconnection fee and/or any other applicable service charges and security deposits, as specified in the Schedule of Charges, have been paid.

404 Termination of Service by Member

For termination of service, the Member should give a minimum of one working day's notice prior to requested disconnection unless a written contract specifies otherwise.

A Member may voluntarily withdraw in good standing from membership under both of the following conditions:

- A. Payment of any and all amounts due the Cooperative, and cessation of any noncompliance with the membership obligations, all as of the effective date of withdrawal; and either removal to other premises not furnished service by the Cooperative, or ceasing to use any central station electric service whatever at any of the premises to which such service has been furnished by the Cooperative pursuant to the service agreement; and
- B. Upon such withdrawal, the Member will receive a refund of the balance of any security deposit held by the Cooperative after being applied to the Member's final bill. For amounts less than one dollar, the member must specifically request a refund.

500 COOPERATIVE AND MEMBER OBLIGATIONS

501 Approval and Cooperative's Board Authority

The Cooperative's Board of Directors is the governing body and is the final authority for making and revising these Service Rules and Regulations. These Rules and Regulations and Rate Schedules are on file in the Cooperative's headquarters office, and such filing and publishing will constitute official notice to all Members on such changes. Failure of the Cooperative to enforce any of the terms of these Rules and Regulations will not be deemed as a waiver of its right to do so.

In case of conflict between any provision of the Bylaws and these Service Rules and Regulations, the Bylaws will prevail. In case of conflict between any provision of a Rate Schedule or Rider and of these Service Rules and Regulations, the Rate Schedule or the Rider will prevail.

These Rules and Regulations and Rate Schedules and any changes will be filed with the North Carolina Rural Electrification Authority and, additionally, pursuant to North Carolina law (GS 62-138(f)), with the North Carolina Utilities Commission.

502 Responsibility of Member and Cooperative

Electric service is supplied by the Cooperative and purchased by the Member upon the express condition that after it passes the

Point of Delivery it becomes the property of the Member to be used only as provided in the Service Agreement. The Cooperative will not be liable for loss or damage to any person, property, business losses or consequential damages whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electric service after it passes the Point of Delivery or for any loss or damage resulting from the presence, character, or condition of the wires or equipment of the Member or for the inspection or repair of the wires or equipment of the Member.

It is understood and agreed that the Cooperative is a supplier of electric service, and the Cooperative will not be responsible for any damage or injury to the buildings, motors, apparatus or other property of the Member due to lightning, defects in wiring or other electrical installations, defective equipment or other cause not due to the negligence of the Cooperative. The Cooperative will not be in any way responsible for the transmission, use or control of the electric service beyond the delivery point, except as it might apply to the use of load management programs.

In maintaining the right-of-way, the Cooperative will not be liable for damage to trees, shrubs, lawns, fences, sidewalks or other obstructions incident to the installation, maintenance or replacement of facilities, unless caused by its own negligence.

All meters, service connections and other equipment furnished by the Cooperative will be, and will remain, the property of the Cooperative. The Member will not interfere with, or alter, the Cooperative's meters, seals, or other property, or permit the same to be done by anyone other than the Cooperative's authorized agent or employee. Damage caused or permitted by the Member to the Cooperative's property will be paid for by the Member.

No person or organization will install or attach any wire, sign(s) or other material or equipment to any of the Cooperative's poles, conductors or other fixtures, except with express written consent of the Cooperative.

To the extent that Members may require electric service at a level of less variation allowed under the standard service, any additional equipment required by the Member to ensure the level of power quality will be at the Member's expense. The Cooperative will assist the Member in the technical development of the power quality electric service.

503 Complaint Procedure

A full and prompt investigation will be made of all service complaints. Report quality-of-service or billing complaints promptly to either the Asheboro office or the Robbins office. If you are not satisfied with the response that you get to a complaint, ask to speak to a department head. If complaints cannot be settled with Cooperative personnel, the North Carolina Rural Electrification Authority has been charged with the responsibility of working with Members to help them get their complaints handled in a satisfac-

tory manner. The address for this agency is 430 North Salisbury Street, Dobbs Building, Raleigh, North Carolina 27699-4321. The telephone number for the NCREA is (919) 733-7513.

APPENDIX 1. TYPES OF SERVICE

Information about types of service and rates are valid as of the printing of these Service Rules and Regulations to the best of our knowledge. Additions, deletions, corrections, and changes may be made from time to time at the discretion of the Board of Directors of Randolph Electric Membership Corporation.

Residential Service

Residential service is available Members on an equal basis. Members with residential uses requiring three phase service will be provided that service at no additional charge above that in the rate schedule, provided three-phase facilities are readily available. If they are not available, the Member may be asked to share in the cost of bringing three-phase service to the Member's residence. Single phase, overhead service will be provided to any year-round residence at no charge above that shown in the rate schedules. Underground service may require some payment by the Member to pay for the increased cost of underground service.

Available Rate Schedules: A, GS

Commercial and Industrial Service (500 kVA or Less)

Commercial and industrial service (500 kVA or less) is available to Members on an equal basis. Members with commercial and industrial uses requiring three phase service will be provided that service at no additional charge above that in the rate schedule, provided three phase facilities are readily available. If they are not available, the Member may be asked to share in the cost of bringing three-phase service to the Member's premises. Single phase, overhead service will be provided to any active business at no charge above that shown in the rate schedules. Underground service may require some contribution in aid by the Member to pay for the increased cost of underground service.

Available Rate Schedules: GS

Commercial and Industrial Service (Over 500 kVA)

Commercial and industrial service (over 500 kVA) is available to Members on an equal basis. Members with commercial and industrial uses requiring three phase service will be provided that service at no additional charge above that in the rate schedule, provided three phase facilities are readily available. If they are not available, the Member may be asked to share in the cost of bringing three-phase service to the Member's premises. Underground service may require a contribution in aid by the Member to pay for the increased cost of underground service.

Available Rate Schedules: LP

Public Street and Highway Lighting Service

Public street and highway lighting overhead service is available to municipal and county governments, subdivision developers, and homeowners' associations on an equal basis. Underground service may require some contribution in aid by the Member to pay for the increased cost of underground service.

Available Rate Schedules: SL

Service to Public Authorities

Service to public authorities is available to local, state, and federal governments and their agencies. Public authorities requiring three phase service will be provided that service at no additional charge above that in the rate schedule, provided three phase facilities are readily available. If they are not available, the Member may be asked to share in the cost of bringing three-phase service to the Member's premises. Single phase, overhead service will be provided at no charge above that shown in the rate schedules. Underground service may require some payment by the Member to pay for the increased cost of underground service.

Available Rate Schedules: GS, LP, TS

Sports Field Lighting Service

The service is available to all single-phase and three-phase member contracting for lighting service specifically designed for outdoor fields that are normally used for athletic activities.

Available Rate Schedules: SFL

Outdoor Lighting Service

Outdoor lighting service is available to Members on an equal basis. Single phase, overhead service will be provided to any Member's premises at no charge above that shown in the rate schedules, provided that primary lines are readily available. If they are not available, the Member may be asked to share in the cost of bringing primary lines to the Member's premises. Underground service may require some payment by the Member to pay for the increased cost of underground service.

Available Rate Schedules: L, UL

Time of Use Service

All services, with the exception of street and highway lighting and outdoor lighting have rates available that will reward Members for off peak usage of power. In addition, interruptible rates are available for commercial and industrial loads that offer savings for off peak operation, as well.

Available Rate Schedules: A- TOU, LP-I, GS-TOU,
GS-I, LP-TOU

Energy Efficient (EE) Home Discount Rate

A five percent discount is offered on all kilowatt-hours purchased by residential members whose homes meet very strict energy-efficient criteria.

Available Rate Schedule: A-EE

Wholesale power Cost Adjustment

The Cooperative reserves the right to implement a Wholesale Power Cost Adjustment (WPCA) when the average cost of purchased power to the Cooperative deviates from the base cost of purchased power used in the design of the Cooperative's retail rate schedules.

Available Rate Schedule: WPCA

NC Green Power Program

The cooperative makes available the NC Green Power Program to members on a voluntary basis who wish to purchase electricity produced from Renewable Resources.

Available Rate Riders: REN-1, GP-1

Renewable Purchased Power

The cooperative will purchase renewable energy from members located in the Cooperative's service territory that have qualifying facilities fueled by trash or methane derived from landfills, hog waste, or poultry waste, or other renewable generating facilities with capacity not in excess of 500 kW, which are qualifying facilities as defined by the Federal Energy Regulatory Commission pursuant to Section 210 of the Public Utility Regulatory Policies Act of 1978.

Available Rate Rider: RPP

NC Renewable Energy & Energy Efficiency Portfolio Standard

The Cooperative recovers all incremental costs associated with demand side management and energy efficiency programs as is required by the State of North Carolina. The cost recovery applies to all retail consumers of the Cooperative for the recovery of the Cooperative's incremental costs associated with meeting the Renewable Energy Portfolio Standard (REPS) pursuant to North Carolina General Statute 62-133.8 and NCUC Rule R8-67.

Available Rate Rider: REPS/EE

Member Owned Generation

The Member Owned Generation (MOG) program is available, on a voluntary basis and in conjunction with any of the Cooperative's Rate Schedules, to retail consumers located in the Cooperative's service territory that own and operate a generating unit(s) that can be called upon from time to time by the Cooperative's wholesale power supplier, as an additional generation resource.

Available Rate Rider: MOG

APPENDIX 2. SCHEDULE OF CHARGES

Security Deposit See Section 102

Connection Charge (per connection)

Office Transfer	\$10.00
Trip Charge	\$25.00
After Hours	\$60.00
Returned Check Charge	\$25.00
Field Collection Charge	\$40.00
Reconnection Charge	\$40.00
Office Collar Activation Charge	\$40.00
Late Payment	1.5% of Past-Due Amt (\$4 min. \$100 max.)

FlexPay

Monthly Program Fee	\$7.00
Initial Prepayment	\$50.00
Minimum Transaction Amount	\$10.00
Reconnect Prepayment	Past-Due Amt + \$25.00
On-Site Meter Reading Fee	\$25.00
Meter Test Charge	\$35.00

Meter Tampering Fee

First Offense	\$250.00 + \$400.00 Deposit + Usage
Subsequent Offenses	\$400.00 + Usage

Underground Charge - New Developments

Primary	\$300.00
In Excess of 150 Feet	\$4.00/ft.
Service	\$260.00
In Excess of 150 Feet	\$1.45/ft.

Conversion of Service Drop from Overhead

to Underground Charge	\$260.00
In Excess of 150 Feet	\$1.45/ft.
Overhead Removal Charge	\$200.00

Underground Charge - Mobile Home Parks

Primary	\$160.00
Service	\$140.00
In Excess of 80 Feet	\$1.45/ft.

Conversion of Service Drop from Overhead to Underground Charge

(Commercial, Industrial, Farm & Public Buildings)	\$260.00
In Excess of 150 Feet	\$1.45/ft.
(Includes Cost of PVC)	

Road Bore Charge	\$800.00
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APPENDIX 3

Area Coverage Line Extension Policy

Upon application for service, the Cooperative, on the basis of its standard applicable rates, will extend its facilities and furnish electric service within its service area to any permanent nonseasonal residence, any public school, or any other applicant if such applicant requires permanent overhead, single-phase service that will be used substantially throughout the year.

The Cooperative will, on the same basis, extend and furnish service to any Member, unless because of the distance of such Member from the Cooperative's existing facilities and/or the nature of the load to be served such would impair or unduly jeopardize the financial feasibility of the Cooperative's operations. In that event, the Cooperative will extend and furnish such service on the basis of its standard applicable rates, but upon receiving such contribution in aid of construction and/or facilities extension deposit as it shall determine appropriate and sufficient to make such service feasible, which arrangement shall be reduced to writing.

Any contributions in aid of construction and/or facilities extension deposit thus received by the Cooperative shall be refundable, applicable against billings for the power service, or otherwise creditable to the Member paying the same — if, as and to the extent the Cooperative determines such may be done consistent with the financial feasibility of the Cooperative's operations.

Temporary Construction Service

Temporary construction service will be billed on the appropriate rate schedule¹. These services must be inspected by the appropriate inspector prior to rendering service, and the inspection certificate must be received by the office of the Cooperative. A single phase, overhead service will be constructed without cost to the Member when the temporary service is to be used for the construction of a new home or establishment which upon completion, will require electrical service to be furnished by the Cooperative. These services may remain for a maximum period of twelve months.

Temporary service to fairs, carnivals, etc. – including construction of facilities such as bridges and other small structures where no power is used in the completed building. Service shall be extended upon the payment by the Member of the cost of installation and removal of facilities, less salvage.

Extension to Mobile Homes – Where mobile homes are permanently installed, the Cooperative will furnish the meter pole and service, and the Member shall install the service entrance equipment on the Cooperative owned pole. Where mobile homes are not permanently located, the Member shall furnish the pole and service equipment. In determining whether or not the mobile home is a

permanent installation, water and sewer connections will be considered. Mobile homes will not be connected in areas where the installation is forbidden by any law or ordinance passed by a governing body.

¹ Contact Cooperative offices for rate schedules.

Underground Services, Extension Policy

The Cooperative will extend underground service, upon written request, to its Members under the following conditions:

A. Residential Areas with No Existing Overhead Primary Service

At the request of an owner or developer, the Cooperative will install underground distribution facilities for service to single residence and apartment houses in new developments¹ where there is no existing overhead primary service, upon the following terms and conditions:

Where the average lot frontage per residence or apartment unit does not exceed 150 feet, primary distribution lines will be provided upon payment of a one-time, nonrefundable charge by the owner, developer, or Member as specified in the schedule of charges². If the developer guarantees (in writing and through deed restrictions) that all homes will be all electric and that homeowners will allow the Cooperative to install load management switches on water heaters and/or central air conditioners, (at the determination of the cooperative) the cooperative may waive any/or all of the cost of installation.

In addition to "1" above which stipulates charges for primary distribution lines, underground SERVICE to individual lots will be provided upon payment of a one-time, nonrefundable charge by the owner, developer, or Member as specified in the schedule of charges³. This charge will be waived assuming the houses are all electric and load management switches may (at the determination of the cooperative) be installed. If the above-mentioned requirements are not met the charge is for the first 150 feet. If the 150-foot limit is exceeded then a one-time nonrefundable charge will be made to the owner, developer, or Member as specified in the schedule of charges⁴.

Where, due to rock or other unusual conditions in the soil, the trenching work cannot be accomplished by use of standard trenching machines, any excess cost occasioned by such conditions may be charged by the cooperative to the owner. Where there are other unusual conditions, such as high water table or boring under pavement, which require installation procedures not normally used, the excess cost of such procedures may also be charged by the cooperative to the owner or developer.

Additional charges may be made by the Cooperative to defray the expense of installing temporary overhead facilities installed at the

request of and to accommodate the owner or developer.

The owner or developer will furnish, without cost to the Cooperative, necessary easements and right-of-way. The owner or developer will be required to have the rights-of-way and all streets, alleys, sidewalks, and driveway entrances graded to within six (6) inches of final grade, and will have lot lines established before construction of the electrical distribution system begins.

The type of construction and the location of said facilities will be at the option of the Cooperative. Should the owner or developer desire changes in either location or type of construction, such installations will be made only upon the owner or developer agreeing to pay the Cooperative the estimated additional cost incurred thereby.

The Cooperative shall have the option of placing transformers above ground, on pads of its specification and/or design, or underground, and in enclosures of specification and/or design, as the Cooperative in its sole discretion may determine to be practicable.

Shrubs, trees and grass sod requiring protection during the installation of the underground service will be the responsibility of the owner or developer, and the owner or developer will hold the Cooperative and/or its subcontractors harmless against any claims for such damage. It will be the responsibility of the owner or developer to reseed and/or maintain the trench cover.

The owner or developer will be required to pay all costs incurred in cutting through and replacing pavement within the development.

When the owner or developer desires an underground service to be routed through inaccessible locations such as under porches or other structures, the owner or developer will be responsible for opening a trench of suitable width and depth to accommodate the underground cable. Any such cable must be encased in conduit, meet National Electrical Safety Code the cost of which will be the responsibility of the owner or developer.

Notwithstanding the previous provisions of this Section, the Cooperative reserves the right to waive a portion of or all the underground charges if revenue and return on investment projections indicate it is cost justified.

¹ Development is defined as an area of six lots or more; the plat of which is on file in the Register of Deed's Office, with the Development name.

² See Schedule of Charges - Appendix 2

³ See Schedule of Charges - Appendix 2

⁴ See Schedule of Charges - Appendix 2

B. Residential Areas with Existing Overhead Service

At the written request of an owner or developer, the Cooperative will furnish and install underground secondary services (service drops) in areas already being served with existing overhead primary ser-

vice, upon the following terms and conditions:

Underground service will be provided upon payment of a one-time, nonrefundable charge by the owner, developer, or Member as specified in the schedule of charges¹.

If the developer guarantees (in writing through deed restrictions) that all homes will be all electric and will allow the Cooperative to install load management switches on water heaters and/or central air conditioners or if it is cost justified the cooperative may waive any/or all the costs of installation.

The owner or developer will reimburse the Cooperative for the cost of cutting through and replacing pavement within the development.

Where, due to rock or other unusual conditions in the soil, the trenching work cannot be accomplished by use of standard trenching machines, any excess cost occasioned by such conditions may be charged by the cooperative to the owner. Where there are other unusual conditions, such as a high water table or boring under pavement, which require installation procedures not normally used, the excess cost of such procedure may also be charged by the cooperative to the owner or developer.

The type of construction and location of said facilities will be at the option of the Cooperative. Should the owner or developer desire changes in either location or type of construction, such installations will be made only upon the owner or developer agreeing to pay to the Cooperative the estimated additional cost incurred thereby.

Shrubs, trees and grass sod requiring protection during the installation of the underground service will be the responsibility of the owner or developer, and the owner or developer will hold the Cooperative and/or its subcontractors harmless against any claims for such damage. It will be the responsibility of the owner or developer to reseed and/or maintain the trench cover.

When the owner or developer desires an underground service to be routed through inaccessible locations such as under porches or other structures, the owner or developer will be responsible for opening a trench of suitable width and depth to accommodate the underground cable. Any such cable must be encased in conduit, meet National Electrical Safety Code the cost of which will be the responsibility of the owner or developer.

In the event the owner or developer requests underground primary distribution lines, the cost to the owner or developer will be the difference in cost of primary overhead lines and primary underground lines.

Notwithstanding the previous provisions of this section, the Cooperative reserves the right to waive a portion of or all the underground charges if revenue and return on investment projections indicate it is cost justified.

¹ See Schedule of Charges - Appendix 2

C. Conversion of Service Drops

At the written request of an owner, the Cooperative will replace existing overhead service drops (insulated service wire) with underground service, upon the following terms and conditions:

The owner will be required to pay a nonrefundable charge¹ to remove the existing overhead service, unless the service entrance capacity is increased as much as 90 amps, in which case the charge will be waived.

Upon payment of the removal charge, the installation of the underground service will be governed by the provisions of Section B, Page 33 (Residential Areas with Existing Overhead Primary).

Any expense incurred in relocating the Member's service entrance facilities to accommodate the underground service drop shall be paid by the Member.

Where, due to rock or other unusual conditions in the soil, the trenching work cannot be accomplished by use of standard trenching machines, any excess cost occasioned by such conditions may be charged by the Cooperative to the owner or developer.

¹ See Schedule of Charges - Appendix 2

D. Mobile Homes

Upon written request of an owner² the Cooperative will provide underground service to mobile home parks and individual mobile homes, as hereinafter set forth. A mobile home park must have installed water and sewer and must provide spaces for not less than ten mobile homes.

If the developer guarantees (in writing through deed restrictions) that all homes will be all electric and will allow us to install load management switches on water heaters and/or central air conditioners or if it is cost justified the cooperative may waive any/or all the costs of installation.

Where the average lot front footage per mobile home lot does not exceed 80 feet, primary distribution lines will be provided upon payment of one time, nonrefundable charge by the owner, developer, or Member as specified in the schedule of charges³. This charge will be waived assuming the mobile homes are all electric and load management switches may (at the determination of the cooperative) be installed. If the above-mentioned requirements are not met, the charge is for the first 80 feet. If the 80-foot limit is exceeded then a one-time nonrefundable charge will be made to the owner, developer or Member as specified in the schedule of charges⁴.

In addition to "1" above, which stipulates charges for primary distribution lines, underground service to individual mobile home lots will be provided upon payment of a one time, nonrefundable charge by the owner, developer, or Member as specified in the schedule of

charges⁵. This charge will be waived assuming the houses are all electric and load management switches may (at the determination of the cooperative) be installed. If the above-mentioned requirements are not met, the charge is for the first 80 feet. If the 80-foot limit is exceeded a one-time nonrefundable charge will be made to the owner, developer or Member as specified in the schedule of charges⁶.

² Mobile Home and site location must be owned by applicant.

³ See Schedule of Charges - Appendix 2

⁴ See Schedule of Charges - Appendix 2

⁵ See Schedule of Charges - Appendix 2

⁶ See Schedule of Charges - Appendix 2

Where unusual local wiring or electrical code requirements occasion extra cost in making the installation, such costs shall be paid by the applicant for service.

In addition to the foregoing, all of the provisions of subparagraphs three through six of Paragraph B. above (Residential Areas with Existing Overhead Primary) shall apply to such installations.

If meter pedestals are used for a mobile home, the Cooperative will sell the pedestal and/or breaker¹. The Member will be responsible for the repair and/or the replacement of the pedestal and/or breakers thereafter.

Underground service will be furnished to permanently installed mobile homes under the provisions of Paragraph B. above (Residential Areas with Existing Overhead Primary).

Where, due to rock or other unusual conditions in the soil, the trenching work cannot be accomplished by use of standard trenching machines, any excess cost occasioned by such conditions may be charged by the cooperative to the owner. Where there are other unusual conditions such as high water table or boring under pavement that require installation procedures not normally used, the excess cost of such procedures may also be charged by the cooperative to the owner or developer.

Notwithstanding the previous provisions of this section, the Cooperative reserves the right to waive a portion of or all underground charges if revenue and return on investment projections indicate cost justification.

E. Commercial, Industrial, Farm, and Public Buildings

Upon written request from the Member, the Cooperative will install underground services to commercial, industrial, farm, or public building installations. The Cooperative may require a contribution in the aid of construction per written contract.

Upon request the Cooperative will replace existing overhead services with underground service, upon the following terms and conditions:

The owner will be required to pay a nonrefundable charge to

remove the existing overhead service¹.

Upon payment of charge in paragraph "1" above, the installment of underground service will be governed by paragraph "A" above.

Any expense incurred in relocating the Member's service entrance facilities to accommodate the underground service shall be paid by the Member.

Notwithstanding the previous provisions of this section, the Cooperative reserves the right to waive a portion of or all the underground charges if revenue and return on investment projections indicate cost justification.

¹ See Schedule of Charges - Appendix 2

