

Blue Ridge Electric Membership Corporation

Service Rules & Regulations

Introduction

These Service Rules and Regulations are a part of your service agreement with Blue Ridge Electric Membership Corporation (the “Cooperative”), a member-owned and democratically led electric cooperative. You are more than just an electric consumer of the Cooperative; you are a member-owner. You, along with other members in our service area, are owners of the Cooperative and you can participate on a nondiscriminatory basis as set forth in the Cooperative’s Bylaws. As such, you have the privilege to vote for the Cooperative’s Board of Directors, which oversees the Cooperative’s business and affairs. You also are encouraged to participate in gaining an understanding of the financial stability and strategic direction of the business of your Cooperative by attending the Annual Membership Meeting.

Our desire is for you to know and experience the fact that we take great pride in providing you with quality service, our most important product. Although we cannot guarantee uninterrupted power, our commitment to you is to provide you with exceptional member service. We value your involvement as a member-owner and your business as a customer of this Cooperative.

The Service Rules and Regulations are divided into three parts. Each part has been organized to clearly provide information concerning your electric service guidelines and policies.

Part I applies to all members and describes the available services, requirements of membership, and other information regarding your electrical service. For your convenience, the Cooperative offers two billing methods, each of which offers unique features: Conventional billing and FlexPay billing. Part II of the Service Rules and Regulations governs member-owners who choose Conventional billing. Part III of the Service Rules and Regulations governs member-owners who choose FlexPay billing. You may choose the billing method that best suits your lifestyle.

If you have any questions about these Service Rules and Regulations, please call your local office or contact us at www.blueridgeemc.com. The phone number and address of your local office is listed in Section 107.

Statement of Nondiscrimination

Blue Ridge Electric Membership Corporation is the recipient of Federal financial assistance from the U.S. Department of Agriculture (USDA). The USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual’s income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-

9410, or call toll free (866) 632-9992 (voice) or (800) 877-8339 (TDD) or (866) 377-8642 (relay voice users). USDA is an equal opportunity provider and employer.

PART I – GENERAL CONDITIONS

These Service Rules and Regulations were adopted by the Board of Directors of Blue Ridge Electric Membership Corporation and apply to each and every member or applicant for membership. They are part of every contract for service entered into between a member-owner and the Cooperative, unless modified by special terms written therein, and govern all classes of service. Copies of the Service Rules and Regulations, Rate Schedules, Bylaws, and policies referred to in this document are available upon request.

100 Electric Service Availability

The section describes the membership process, including how to receive new electric service, easement requirements, and rate application.

The Cooperative will extend service to any member anywhere in the Cooperative's service territory as prescribed by these Service Rules and Regulations.

101 Application for Membership

The Cooperative will supply electric service to the member-owner once the member-owner 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 service agreement between the Cooperative and its member-owners will consist of the following:

- Completed membership application, including membership agreement and providing the required verifiable identification,
- Current Bylaws and Service Rules and Regulations,
- All necessary rights of way and easements,
- Current applicable rate schedules.

A supplemental written contract may be required from any applicant whose estimated demand is 50 kw or more or those member-owners requesting installation of outdoor decorative lighting.

The membership and service agreement are not transferable or assignable; however, capital credits may be transferred to the Cooperative or to another member as provided by the Cooperative's Bylaws and policies.

102 Electric Rate Schedule

When two or more rate schedules and/or addenda are available, the Cooperative will assist in the selection, but it is the member-owner's right and responsibility to determine which rate schedule to select. Specific rate schedules are available upon request. The general rate classifications available are as follows:

- Residential: for homes, permanent mobile homes, or individually metered apartments. This rate does not apply to campers, travel trailers, or motor homes.
- General Service: for non-permanent residential and other services of less than 25 kw, including campers, travel trailers, motor homes, barns, well pumps, signs, etc.
- Commercial and Industrial: for services, other than residential or general service, with load requirements of 25 kw or greater.
- Outdoor lighting: for all members at locations on the Cooperative's distribution system for dusk-to-dawn lighting. The rate is not applicable for part-time or seasonal operation of outdoor lighting.

The service classifications are subject to periodic review for additions, deletions, and changes.

103 Additional Service Connections

A member-owner may have any number of service connections under one membership. Additional deposits may be required. A member-owner with more than one account is equally responsible for current payment of all accounts. Additional service connections may be denied until all existing accounts are current.

104 Electric Service and Line Facilities

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

When a member-owner or an individual requests that the Cooperative supply electric service in a manner which requires equipment and facilities beyond 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 additional facilities at a cost to the member. Costs will be collected through additional facilities charges and/or contributions-in-aid to construction as agreed upon by the Cooperative and the member-owner.

The cost of extending service from existing facilities to a new development will be borne solely by the member/developer. Thereafter, unless in the opinion of the Cooperative it is uneconomical to do so, the line extension cost will be charged per Section 104 of Schedule of Fees and Charges (Appendix A). Developments that are random and non-sequential in build-out may require a deposit in an amount equal to the Cooperative's cost of construction less any non-refundable payments made per this Section. The deposit will be refunded on a per lot basis provided that electric service is activated on the lot within five years.

The actual cost of installing security light structures in a residential development will be borne by the developer. The monthly charge for outdoor security lights will be per the "existing wood pole" rate in the Cooperative's outdoor lighting service rate for the size luminaire installed.

Additional allowances may be made for loads that in the opinion of the Cooperative benefit the entire membership. Financing is available through the Cooperative to individual member-owners based on the estimated cost of providing service to their residential property. Rate schedules and line extension policies are available upon request through your district office or online at www.blueridgeemc.com.

The member-owner agrees to have all streets, alleys, established lots, 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-owner requesting service will be responsible for any restoration, right-of-way or easement costs that result from the Cooperative crossing the property of others.

The Cooperative will provide three-phase overhead primary service to the member-owner, supplying the transformer and the secondary conductor to one location at the premise. The Cooperative will provide three-phase underground primary service to the member-owner, supplying the transformers and the primary conductor and the member-owner will be responsible for the secondary conductor and the transformer pad. The member-owner will be responsible for the metering cabinet, if required.

105 Metering Facilities

The Cooperative normally provides and installs the meter. The member-owner will provide approved meter base and certain connection facilities to the meter base. Any meter installed at the request of the member that would not have been installed as standard equipment will be considered an excess facility.

The meter base shall be located between five and six feet above ground level, at an outside location easily accessible to the Cooperative's authorized personnel or agents.

Member-owners 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. The Cooperative will have the right to place locking devices or other instruments on the premises of the member-owner for the purpose of monitoring and maintaining the member-owner's service.

106 Easements and Rights of Way

The member-owner agrees to furnish without cost to the Cooperative all necessary distribution easements, rights-of-way, and underground agreements. Any member-owner receiving services from the Cooperative, must, upon request, execute and deliver to the Cooperative grants of easement or right of way over and on lands owned by the member-owner, and in accordance with such reasonable terms and conditions as are required for the furnishing of electric and communications service to the member-owner or other member-owners or for the construction related, operation, maintenance, or relocation of the Cooperative's electric facilities. Any right-of-way or easement acquisition costs will be the responsibility of the member/developer requesting service.

The member-owner agrees that the Cooperative's authorized employees or agents will have right of access to member-owner'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 of the Cooperative. The Cooperative's employees and its agents will use care in accessing the member-owner's property. In cases where it is reasonably necessary and cost effective, the Cooperative may use, without payment to the member-owner, the member-owner's premises for accessing neighboring property served by the Cooperative.

The Cooperative will repair any damage to private lanes, roads, or crops and will reimburse the property owner for actual loss or damage caused by ingress and egress in the construction and maintenance of the electric system. Access roads should be provided by the member-owner when planting crops and shrubs.

107 Offices and Service Hours

The Cooperative's corporate office is located in Lenoir, North Carolina. The Cooperative has district offices located in Lenoir, Boone, West Jefferson, and Sparta, North Carolina. All offices are open for business between the hours of 8:30 a.m. and 5:00 p.m., Monday through Friday, excluding holidays. Emergency service work is performed 24 hours a day, 7 days a week. The local offices may be reached by calling:

Lenoir	(828) 754-9071
Boone	(828) 264-8894
West Jefferson	(336) 246-7138
Sparta	(336) 372-4646
Wilkes	(800) 451-5474

If you do not need to speak with someone personally but need to report an outage, request information, inquire about your balance or pay your bill using our automated telephone service, call 1-800-448-2383.

200 Conditions of Service

This section describes requirements for service connections, electric service parameters, requirements for interconnection, electric system maintenance, and other information about member-owner connections to the electric system.

201 Service Connections

The Cooperative will furnish and install only one service drop to a metered point. The member-owner must furnish a point of attachment for the Cooperative's service facilities, which will meet the National Electric Code, the Cooperative's requirements, and any state or local laws, codes, or ordinances. It shall be the member-owner's responsibility to furnish the Cooperative proof of inspections by local or state officials where such inspections are required, and the service connections will not be made until such proof is presented.

The point of attachment furnished by the consumer must be located at a point where the Cooperative's facilities can be constructed at a reasonable cost, and in accordance with sound engineering practices. The Cooperative reserves the right to designate the location of the point of attachment where meters will be located. Connecting of the service lines is to be made only by an authorized agent of the Cooperative.

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 which 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-owner 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-owner 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. The following service voltages are the basic offering of voltages to the membership: single-phase, 120/240 volts, or three-phase, four-wire, 208Y/120 volts, 480Y/277 volts, 4160Y/2400 volts, 12,470Y/7,200 volts, or three-phase, three-wire, 240, 480, 2400 volts or three-phase voltage other than the foregoing, subject to mutual agreement between the Cooperative and the consumer. 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:

- Acts of God or 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-owner equipment without proper notification to the Cooperative
- Emergency operations
- The operation of the member-owner's equipment
- Acts of terrorism

203 Service Interruptions

The Cooperative does not guarantee continuous and uninterrupted service and will not be liable for loss or damage to any member-owner'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:

- 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, to expedite restoration of service, or to effect a reduction in service to compensate for an emergency condition on an interconnected system.
- Other circumstances beyond the control of the Cooperative, including but not limited to the following:
 - An act of God
 - Riot or civil disorder
 - Natural disaster such as fire, earthquake, or flood
 - An order from Federal, State, Municipal, County, or other public authority
 - Acts of terrorism

- 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 consumer's premises would endanger persons or property.

The member-owner shall 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 member-owners. The member-owners to be affected by such planned interruptions will be notified in advance, if practicable.

204 Right-of-Way Maintenance

The member-owner will grant to the Cooperative, and the Cooperative will maintain right of way according to its specifications with the right to cut, trim, and control the growth of trees and shrubbery 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 other than stumps at its expense from "clean and maintained" areas; that is, an area which is regularly maintained (mowed, trimmed, or landscaped) and free of logs and brush. In other areas, right-of-way debris will be left in the right-of-way limit.

Member-owners 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.

205 Power Factor

The member-owner will at all times maintain a power factor at the point of delivery as close to one hundred percent (100%) as practicable. Where the overall power factor of the member-owner's load is less than eighty-five percent (85%) lagging, the Cooperative may require the member-owner to install at the member-owner's own expense equipment to correct the power factor, and may adjust the member-owner'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-owner will not use the Cooperative's electric service in parallel with any other electric source, nor will other electric source be introduced on the premises of the member-owner for use in conjunction with or as a supplement to the Cooperative's electric service, without the prior written consent of the Cooperative. When standby and/or supplemental on-site generation is provided by the member-owner, parallel operation of the member-owner's generating equipment with the Cooperative's system will not be allowed without express permission of the Cooperative. The member-owner will install all protective devices specified in the National Electrical Code, or the National Electric Safety Code, as applicable. A double throw switch must be used to prevent possible injury to the Cooperative's personnel and equipment by making it impossible for power to feed back 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 required 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. A current rate schedule will be provided to the owner/operator upon request. Any contracts for the sale of electric demand and energy from a QF will be made between the owner/operator and the Cooperative or its power supplier. Also through a similar prior arrangement with the Cooperative, all contracts for the sale of electric demand and energy from an independent power producer (IPP) will be made between the owner/operator and the Cooperative or its power supplier.

208 Line and Facilities Conversion and Relocation

Upon request, the Cooperative will, consistent with prudent utility practice, relocate lines, poles, and facilities. The member-owner will be required to pay in advance the nonbetterment cost of relocating the facilities. Any additional right of way necessary for relocation will be the responsibility of the member-owner to obtain. An engineering fee will be charged for requests that are in excess of normal allowances.

At a member-owner's request, the Cooperative may convert existing adequate overhead facilities to underground, provided that the member-owner meets the requirements set forth by the Cooperative, including paying the charges set forth in the Schedule of Fees and Charges (Appendix A). Existing secondary services may be converted provided the member-owner pays the charges set forth in the Schedule of Fees and Charges (Appendix A).

Upon request, and when feasible the Cooperative will relocate electric distribution facilities that are in conflict with the placement of a new residence or a major renovation. The Cooperative will make such relocations at no cost to the member-owner up to the amount specified in the Schedule of Fees and Charges (Appendix A). The member-owner will be required to pay any excess amount.

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 and all other related costs. Also, such parties will be required to make a deposit, in advance, of the estimated cost to the Cooperative.

209 Account and Usage Inquiry

The Cooperative will investigate, render advice, and lend assistance needed for all reasonable requests of the member-owner pertaining to the member's account, usage, bill, and load management equipment after verification of member identification. The Cooperative may collect a fee for such services beyond what is reasonable and customary. Such fee is specified in the Schedule of Fees and Charges (Appendix A).

210 Member Equipment

The member-owner agrees to be responsible for notifying the Cooperative of any additions to, or changes in, the member-owner's equipment which might affect the quality of service or might increase the member-owner's electrical demand.

The member-owner 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 member-owners. 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 not to connect 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 compromise safety or service to other member-owners.

The member-owner agrees that when multi-phase service is furnished, the member-owner 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 Service Rules and Regulations.

The Cooperative may provide maintenance, repair, and installation services for equipment owned by the member-owner but not covered through an applicable electric rate, provided the member-owner agrees to pay the operations service fee as specified in the Schedule of Fees and Charges (Appendix A).

211 Power Quality

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

300 Governance and Membership Rights and Responsibilities

This section describes governance and membership rights and responsibilities as well as complaint procedures.

301 Cooperative's Board Authority

The Cooperative's Board of Directors is the governing body and is the final authority for approval of 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 member-owners of 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 and of these Service Rules and Regulations, the Rate Schedule 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 GS 62-138(f), with the North Carolina Utilities Commission.

302 Electric Facilities Planning and Siting

The Cooperative has a responsibility and commitment to provide, through appropriate short- and long-range planning, reliable energy to the member-owners in our service area. The Cooperative will share information, on a timely basis, about planned transmission line and substation projects with member-owners who will be affected by the siting of such facilities.

303 Complaint Procedures

A full and prompt investigation will be made of all service complaints. The recommended order for handling quality of service or rate complaints is as follows:

- Contact your local district Cooperative office and allow reasonable time for investigation, advice, and action. If the results are not satisfactory, then:
- Contact the Cooperative's Chief Executive Officer, providing information and results from the initial complaint and/or naming local Cooperative personnel who handled the complaint. Allow reasonable time for the Chief Executive Officer to act. If the results are still not satisfactory, then:
- File a complaint with the North Carolina Rural Electrification Authority in Raleigh, North Carolina, 430 North Salisbury Street, Dobbs Building, Raleigh, North Carolina 27611, (919) 733-7513. Allow reasonable time for the Authority to act, then:
- If results are still not satisfactory, file a written complaint with the Cooperative's Board of Directors. Allow reasonable time for the Board to schedule the item at a regular meeting. Allow reasonable time for the Board's orders on the matter to be carried out.

304 Use of Cooperative Property

All meters, service connections, and other equipment furnished by the Cooperative is the property of the Cooperative. The member-owner 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-owner to the Cooperative's property will be paid for by the member-owner.

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.

305 Member Responsibilities

Before receiving service any previous outstanding debts owed to the Cooperative by the member-owner or any other person in the member-owner's household must be paid.

The member-owner agrees to promptly notify the Cooperative in writing if there is someone in their household who is either chronically or seriously ill, disabled or on an electrically operated life support system and if the member-owner desires special handling of the account in the event of failure to pay electric bills.

Electric service is supplied by the Cooperative and purchased by the member-owner upon the express condition that after it passes the Point of Delivery the electric service becomes the property of the member-owner 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-owner or for the inspection or repair of the wires or equipment of the member-owner.

It is understood and agreed that the Cooperative is merely 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-owner due to lightning, defects in wiring or other electrical installations, defective equipment or other cause not due to the negligence of the Cooperative or its agents. The Cooperative will not be in any way responsible for the transmission, use or control of the electric service beyond the Point of Delivery, except as it might apply to specific programs.

Part II

400 Conventional Billing

The Cooperative offers a conventional billing process that offers members the opportunity to receive electric service prior to payment. The amount of energy consumed and associated electric service charges are billed after the electricity has been used. Members have a choice of receiving a paper bill through the mail or enrolling in electronic billing. Conventional billing requires account security.

401 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. At the discretion of the Cooperative, the security deposit may be made in partial payments not to exceed three installments, with a minimum of one payment paid prior to service connection. A "member in good standing" (see "Definitions") 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 at the new location.

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

As an alternative, the Cooperative will accept:

(1) a letter of reference from your previous electric utility which demonstrates your satisfactory payment record over the last twelve months service was provided; (2) a guarantee payment of your bills up to the amount of deposit from a "member in good standing" (see "Definitions"); (3) satisfactory record with an established credit rating service acceptable to the Cooperative and provided the member-owner pays any credit reporting fee(s); (4) irrevocable letter of credit from bank; or (5) notarized, qualified parent guarantee for an eligible college student. The

deposit will be refunded automatically with interest, accrued from the date of receipt, after twenty-four (24) consecutive months during which the member-owner has fulfilled all member obligations as provided for in the service agreement. The Board of Directors will determine the interest rate paid on member deposits. Additional security may be required at any time if the member-owner payment record falls below that of a “member in good standing.”

Upon termination of service, security deposits will be refunded or applied against any unpaid balance owed to the Cooperative.

Guarantors may request to be removed by submitting their request in writing to the Cooperative. This request will be considered after one of the following requirements has been satisfied:

- The secured account credit history reflects 24 months of satisfactory payments; or
- A security deposit has been paid in full; or
- A satisfactory replacement guarantor has signed all necessary documentation with the Cooperative; or
- The member elects to participate in the FlexPay billing program offered by the Cooperative and the security requirement is waived.

402 Responsibility to Read Meter

Meters will be read and bills rendered by the Cooperative. When a meter reading cannot be obtained 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.

403 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 25th day from the billing date. Member-owners whose bills become delinquent will be charged a late payment charge as specified in the Schedule of Fees and Charges (Appendix A). If the billed amount is still delinquent when the next month's bill is prepared, that bill will show the previous month's account balance as past due with a disconnect notice and date of disconnect printed on the bill. Member-owners meeting the definition of “member in good standing” (see “Definitions”) will be sent a regular bill with no disconnect notification. All late payment penalties will apply. A member-owner who does not meet the definition of “member in good standing” will receive a bill containing disconnect notification information when their electric service bill is subject to disconnection. This notice will explain the reason why the Cooperative plans to disconnect the service, state the date after which the service will be disconnected, and explain what the member-owner can do to keep the service from being disconnected. The disconnect notification on the bill will state that the Cooperative's office can be contacted prior to the disconnection date to discuss a time extension if the member-owner cannot pay the bill. If the member-owner fails to take the necessary action to avoid disconnection, the Cooperative will disconnect the service. The member-owner may have their service reconnected by paying all past due portions of the delinquent bill plus a reconnection fee. Payment may be made in person at the local Blue Ridge Electric office, by phone, automated IVR system (debit/credit cards only) or online at www.blueridgeemc.com.

Member-owners may request in writing that a copy of any billing notices be sent to a specified third party.

Note: Disconnect notices will not be mailed until the delinquent amount exceeds \$75.00; cut-off notices will not be created unless the amount exceeds \$75.00.

404 Multiple Services

If a member-owner has more than one account, the Cooperative reserves the right to apply any payment made by the member-owner to any account owed to the Cooperative by the member-owner. 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.

405 Bill in Dispute

Failure to receive a bill does not exempt a member-owner from payment. A duplicate bill may be obtained from the Cooperative or may be accessed online by visiting www.blueridgeemc.com. Member-owners may also receive without charge, a copy of billing information for the past twelve months which can be obtained online at www.blueridgeemc.com. Neither a dispute concerning the amount of a bill nor a claim or demand by the member-owner against the Cooperative will alter the normal requirements for payment. (See Complaint Procedure in Section 303 for resolution of disputed bills.) If the member-owner requests a meter to be re-read for usage dispute, a field service fee will be charged if the original meter reading is determined to be correct.

406 Methods of Payment

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

- By mail
- By bank draft
- By credit card or recurring credit card
- By internet web site online
- In the district night deposit
- Automated IVR system (debit/credit cards only)
- By telephone, or
- In person.

Budget Billing is available upon request for member-owners who desire equalized payments throughout the year. The Cooperative will accept VISA[®], MasterCard[®] or Discover[®] cards for payment of electric goods, products, services, etc., up to a limit of \$1,000 per account per month.

407 Returned Checks

Any member-owner whose check for payment for service is returned for nonpayment by their financial institution will be notified immediately by letter and a returned check fee will be added to the member-owner's account in an amount up to the maximum allowed by North Carolina law. See Schedule of Fees and Charges (Appendix A). If the payment is not made by the date

stated on the mailed notification, service will be discontinued. If the Cooperative receives two returned checks from a member-owner in the previous 12-month period, the Cooperative will refuse to accept further checks from that member-owner.

408 Corrections for Errors Billing Adjustments

Adjustments to the account due to inaccurate metering equipment, errors in meter reading or billing will be made promptly. The Cooperative will issue a credit for errors when an adjustment is warranted. The member-owner will be expected to pay any appropriate charges. Payments to the Cooperative may be made in installments over the same period of time during which the error occurred. The billing adjustment will be based on an appropriate estimation of usage and/or demand for a given period of time. For member-owners having a demand of less than 50 kw, that period will not exceed five months. For member-owners having demand more than 50 kw, that period will not exceed 12 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-owner's account will be adjusted accordingly. The Cooperative will periodically test and inspect its meters. A member-owner may request in writing that a meter be tested. A report will be supplied to the member-owner within a reasonable time after the completion of the test. A meter test charge, as specified in the Schedule of Fees and Charges (Appendix A) will be imposed. This fee will be refunded if the meter is found to be in error in excess of plus or minus two percent (2%).

409 Time Extensions/Payment Arrangements

At the discretion of the Cooperative, a time extension may be granted to member-owners in accordance with the following standards:

- 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 (see applicable fee in Schedule of Fees and Charges [Appendix A]) for a fixed time, or arrangement for installment payment of the bill will not unduly impair the Cooperative's ability to collect the final bill; or
- When disconnection of service might impose immediate danger to the member-owner or other persons due to illness or some hazardous condition, or when the household is immediately and directly affected by a death.

410 Unavoidable Cessation of Service by Member

If the member-owner's home or premise is destroyed by fire, natural disaster, or other casualty, or a business is shut down because of fire, natural disaster, or other cause beyond the member-owner's control, making a complete cessation of service, then any minimum charge or guarantee occurring after the cessation of service will be waived and the contract will be extended provided the Cooperative receives notice within 30 days that the member intends to resume service as soon as possible.

The member-owner's obligation to pay for charges incurred before cessation may be postponed with interest. Otherwise, the agreement for service will immediately terminate. In the event an account billed under any residential rate is destroyed by fire not caused by an act of arson on the part of the member-owner or the member-owner's family, no charges for the current months billing period will be rendered. A new temporary service will be connected for the same member-owner at no cost.

411 Power Diversion and/or Meter Tampering

Power diversion and meter tampering are extremely dangerous and can cause fire, explosion, or electrocution. No one other than a trained employee of the Cooperative or an authorized contractor of the Cooperative is permitted to break the meter seal.

The Cooperative will address power diversion or meter tampering by charging all applicable fees and charges. The Cooperative may seek criminal prosecution if deemed necessary.

412 [Reserved]

413 Disconnection of Service by Cooperative

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

- Discovery of meter or load management equipment tampering or diversion of current
- Use of power for unlawful, unauthorized or fraudulent reasons
- By order of public authority
- 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
- For repairs, emergency operations, unavoidable shortages, or interruptions in the Cooperative's power supply source
- Introduction of foreign electricity on the premises with the capability to back feed or interconnect with the Cooperative's system without prior written consent.

Additionally, service may be disconnected after notice has been given the member-owner and reasonable time to comply with the Bylaws of the Cooperative, and the Service Agreement with the Cooperative. This compliance also applies to 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. When a field visit is warranted, the member will be charged a field service fee for those circumstances described below as specified in the Schedule of Fees and Charges (Appendix A).

Waiver of default: If the member-owner continues to be or again becomes non-compliant with the Service Agreement, 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.

414 Cold Weather Special Needs Disconnection

No termination of service will take place if the member-owner can establish all of the following criteria:

- A member of the member-owner's household is either disabled or 65 years of age or older;
- The member-owner is unable to pay for such service in full;
- The household is certified by the local social service office which administers the Energy Crisis Assistance Program or other similar programs to be eligible (whether funds are available or not) to receive assistance under such programs.

The Cooperative may continue to charge interest on accounts that are subject to this provision. The member-owner must provide advance notification and certification of meeting the requirements for “special needs” handling of accounts.

415 Reconnection of Service by Cooperative

Subsequent to the disconnection of electric service by the Cooperative for reasons listed in the previous sections 413 and 414, 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 nonpayment of a bill, meter tampering, unauthorized or illegal use of power, the Cooperative will have the right to refuse service to the same member-owner or to any other applicant who is a member of the member-owner’s household until the infraction is corrected, credit is reestablished by the member-owner, and all applicable accounts have been paid.
- The member-owner 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 Fees and Charges (Appendix A) have been paid.

For any meter disconnected and reconnected for the same member-owner at the same location, a reconnection fee as specified in the Schedule of Fees and Charges (Appendix A) is required if reconnected within thirty (30) days. If the time between the disconnect date and the reconnect date is greater than thirty (30) days, the charge will be the reconnection fee as specified in the Schedule of Fees and Charges (Appendix A) plus a facilities/minimum bill charge for each month, or major portion thereof, that the meter remains disconnected, up to a maximum of nine (9) months.

A security light reconnected for the same member at the same location within a one-year period of time will require a reconnection fee and facilities charge as specified in the Schedule of Fees and Charges (Appendix A).

416 Conversion of Conventional to FlexPay Service

Member-owners may elect to convert a conventional billed account to FlexPay service at any time, not to exceed once per year.

Subject to the Cooperative’s approval, member-owners applying for FlexPay service have the option of transferring a previous balance (excluding power diversion) from a conventional account to the FlexPay account. The Cooperative, at its option, will apply up to 50% of all subsequent FlexPay account payments to the previous balance of the conventional account.

At the time of conversion, the existing deposit (if applicable) will be first applied towards any outstanding balance on the conventional account. Any resulting credit balance will be applied to the FlexPay account.

When a FlexPay account is initially activated, a minimum balance is required as specified in the Schedule of Fees and Charges (Appendix A).

417 Termination of Service by Member

For termination of service, the member-owner should give a minimum of one working day's notice prior to requested disconnection unless a written contract specifies otherwise. A member-owner may voluntarily withdraw in good standing from membership under both of the following conditions:

- Both payment of all amounts due the Cooperative, and compliance with all membership obligations, as of the effective date of withdrawal; and either moving to other premises not furnished service by the Cooperative, or ceasing to use any Cooperative electric service whatever at any of the premises to which such service has been furnished by the Cooperative according to the Service Agreement; and
- Upon withdrawal, the member-owner will be refunded the balance of any fees and security deposits, plus interest, held by the Cooperative after that balance has been applied to the member-owner's final bill.

PART III

500 FlexPay Billing

The Cooperative offers FlexPay billing to residential accounts as an alternative to conventional billing. FlexPay billing is available upon member-owner request for any active Residential (R), Residential Conservation (RC), or Residential All-Electric (RE) designated account in the Cooperative's service area where the automated metering system (AMI) is fully deployed; and where electric service is delivered through a standard 200 amp automated meter.

FlexPay accounts do not receive a monthly billing statement. With FlexPay billing, electric usage, charges, and credits are posted to the account daily. Each month, the daily account postings are reconciled to the appropriate rate and any difference is credited or debited to the account.

To activate a FlexPay account, an initial minimum positive balance as specified in the Schedule of Fees and Charges (Appendix A) is required.

FlexPay billing offers member-owners a number of benefits which include:

- Unlike conventional billed accounts, the member-owner is not required to establish credit.
- FlexPay accounts are not subject to late fees, delinquency fees or reconnect charges pertaining to nonpayment.
- Security deposits are not required for FlexPay accounts.

501 Responsibility to Read Meter

Automated electric meters are polled for meter readings on a daily basis through the Cooperative's automated metering (AMI) system. When a daily meter reading cannot be obtained at the scheduled time, the meter reading and corresponding Kilowatt-hour (kwh) usage for the period will be estimated based on prior usage. Kwh usage billed on an estimated

basis will be adjusted as necessary when the next actual reading is obtained. An explanation of the meter reading/billing process can be obtained from the Cooperative.

502 Due Dates and Failure to Pay

Member-owners are solely responsible for managing their FlexPay account, which includes monitoring energy usage and maintaining a positive balance at all times. Failure to do so may result in service disconnection at any time without notice. In the event an account is disconnected, a minimum positive balance as specified in the Schedule of Fees and Charges (Appendix A) is required when the account is reconnected. FlexPay accounts are not eligible for time extensions or payment arrangements. FlexPay account information may be accessed at any time online at www.myusage.com or by telephone at 800-448-2383.

503 [Reserved]

504 Bill in Dispute

Failure to receive billing notification(s) does not exempt a member-owner from payment. Neither a dispute concerning the amount of a bill nor a claim or demand by the member-owner against the Cooperative will alter the normal requirements for payment. (See Complaint Procedure in Section 303 for resolution of disputed bills.)

505 Methods of Payment

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

- By mail
- By debit card
- By credit card
- By internet web site online
- In the district night deposit
- Automated IVR system (debit/credit cards only)
- By telephone, or
- In person during normal business hours.

The Cooperative will accept VISA[®], MasterCard[®] or Discover[®] cards for payment of electric goods, products, services, etc., up to a limit of \$1,000 per member per month.

506 Returned Checks

Any member-owner whose check for payment of service is returned for nonpayment by their financial institution will be notified immediately by an account posting, and a reversal of their check payment, of any applicable return check charge on the FlexPay account at www.myusage.com. The returned check charge will be added to the member-owner's account in an amount up to the maximum allowed by North Carolina law. If this fee and subsequent reversal of the original check amount to their account results in a negative balance, the account will be subject to disconnection.

507 Corrections for Errors and Billing Adjustments

Adjustments to the account due to inaccurate metering equipment, errors in meter reading or billing will be made promptly. The Cooperative will issue a credit for errors when an adjustment is warranted. The member-owner will be expected to pay any appropriate charges. Payments to the Cooperative will be applied through debt recovery. The billing adjustment will be based on an appropriate estimation of usage for a given period not to exceed five months. When a meter stops, 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-owner's account will be adjusted accordingly. The Cooperative will periodically test and inspect its meters. A member-owner may request in writing that a meter be tested. A report will be supplied to the member-owner within a reasonable time after the completion of the test. A meter test charge, as specified in the Schedule of Fees and Charges (Appendix A) will be imposed. This fee will be refunded if the meter is found to be in error in excess of plus or minus two percent (2%).

508 Time Extensions/Payment Arrangements

FlexPay accounts are not eligible for time extensions or payment arrangements.

509 Unavoidable Cessation of Service by Member

If the member-owner's home or premise is destroyed by fire, natural disaster, or other cause beyond the member-owner's control, making a complete cessation of service, then any minimum charge or guarantee occurring after the cessation of service will be waived and any contract will be extended provided the Cooperative receives notice within 30 days that the member-owner intends to resume service as soon as possible.

A new temporary service will be connected for the same member-owner at no cost.

510 Power Diversion and/or Meter Tampering

Power diversion and meter tampering are extremely dangerous and can cause fire, explosion, or electrocution. No one other than a trained employee of the Cooperative or an authorized contractor of the Cooperative is permitted to break the meter seal.

The Cooperative will address power diversion or meter tampering by charging all applicable fees and charges. The Cooperative may seek criminal prosecution if deemed necessary.

511 [Reserved]

512 Disconnection of Service by Cooperative

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

- Discovery of meter or load management equipment tampering or diversion of current;
- Use of power for unlawful, unauthorized or fraudulent reasons;
- By order of public authority;
- 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;

- For repairs, emergency operations, unavoidable shortages, or interruptions in the Cooperative's power supply source; or
- Introduction of foreign electricity on the premises with the capability to back feed or interconnect with the Cooperative's system without prior written consent.

Additionally, service may be disconnected after notice has been given the member-owner and reasonable time to comply with the Bylaws of the Cooperative, and the Service Agreement with the Cooperative. This compliance also applies to 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. When a field visit is warranted, the member will be charged a field service fee for those circumstances described below as specified in the Schedule of Fees and Charges (Appendix A).

Waiver of default: If the member-owner continues to be or again becomes non-compliant with the Service Agreement, 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.

513 Cold Weather Special Needs Disconnect

Conventional billing has a provision known as "Cold Weather Special Needs Disconnect" that limits when a service disconnect may occur during extreme cold weather. This provision is not available under FlexPay billing.

514 Reconnection of Service by Cooperative

Subsequent to the disconnection of electric service by the Cooperative for reasons listed in the previous section 512, 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 nonpayment of a bill, meter tampering, unauthorized or illegal use of power, the Cooperative will have the right to refuse service to the same member-owner or to any other applicant who is a member of the member-owner's household until the infraction is corrected, and all applicable charges have been paid.
- The member-owner has agreed to comply with reasonable requirements to protect the Cooperative against further infractions.
- A reconnection service fee and/or any other applicable service as specified in the Schedule of Fees and Charges (Appendix A) have been paid.

For any meter disconnected and reconnected for the same member-owner at the same location, a reconnection fee as specified in the Schedule of Fees and Charges (Appendix A) is required if reconnected within thirty (30) days. If the time between the disconnect date and the reconnect date is greater than thirty (30) days, the charge will be the reconnection fee as specified in the Schedule of Fees and Charges (Appendix A) plus a facilities/minimum bill charge for each month, or major portion thereof, that the meter remains disconnected, up to a maximum of nine (9) months.

A security light reconnected for the same member at the same location within a one-year period of time will require a reconnection fee and facilities charge as specified in the Schedule of Fees and Charges (Appendix A).

515 Conversion of FlexPay to Conventional Service

Members may elect to convert a FlexPay billed account to conventional billing at any time, not to exceed once per year. The Cooperative will require full payment of a security deposit or other account security, plus any past due amounts and associated fees.

516 Termination of Service by Member

A member-owner may voluntarily withdraw in good standing from membership only upon payment of all amounts due the Cooperative, and compliance with all membership obligations, as of the effective date of withdrawal; and either moving to other premises not furnished service by the Cooperative, or ceasing to use any Cooperative electric service whatsoever at any of the premises to which such service has been furnished by the Cooperative according to the Service Agreement.

Service termination at the member's request will receive a refund of any remaining positive balance on the account(s) after all charges have been paid in full.

APPENDIX A – Schedule of Fees and Charges

Schedule of Fees and Charges (Note: 3% sales tax is included in fees where applicable.)

<u>SR&R Section</u>	<u>Description</u>	<u>Amount</u>
104	New Construction	
	• Single meter building/residence (per permanent meter set)	\$75.00
	• Multiple meter building/residence (per permanent meter set)	\$75.00
	• Maximum fee per multiple meter building	\$150.00
104	Aid-to-Construction Loan Application	\$100.00
104	Contribution in Aid to Construction	

Residential property not subdivided

<u>Overhead^{1,2} Allowance</u>	<u>Underground² Charge</u>	<u>Service Allowance</u>
\$7,000	\$4.00 per ft.	200 ft.

Subdivided residential property (Less than 100-lot developments)

<u>Lot Size (Acres)</u>	<u>Non-refundable Contribution</u>	<u>Underground Charge</u>	<u>Service Allowance</u>
0 – 10 ac	\$1,000 per lot	\$4.00 per ft.	200 ft.
Greater 10 ac	-----Actual cost-----		

Subdivided residential property (100-lot or larger developments³)

<u>Lot Size</u>	<u>Contribution</u>	<u>Service Allowance</u>
Any Size	Actual Cost	200 ft.

All Other

<u>Anticipated Load</u>	<u>Overhead Allowance</u>	<u>Underground Charge</u>	<u>Service Allowance</u>
0-10 kw	-----Actual cost-----		
10.1-75 kw			200 ft.
Single Phase	\$7,000	\$4.00 per ft.	200 ft.
Three Phase	\$12,000	\$8.00 per ft.	200 ft.
Greater 75 kw	\$20,000	\$8.00 per ft.	200 ft. ⁴

Notes: 1. Homeowner or developer pays costs above allowance. 2. Allowance and underground charges are based on engineering estimate of cost. 3. Phased developments will be based on ultimate development plan. 4. Service is provided at the transformer for underground loads greater than 75 kw.

210	Operations Service (Bucket truck) Operations Service (Service truck)	\$150.00/hour \$75.00/hour
210	VWH and ETS Service Call	\$50.00 (Includes up to one hour labor - any additional minutes/hours will be billed at \$45/hour)
207	Small Renewable Generation Non-Refundable Application	\$50.00
208	Engineering Request Above Normal Cost Allowances	\$125.00 or 5% of total estimate whichever is greater
208	Conversion of Outdoor Lighting OH Service to UG	Actual cost + \$75.00 engineering fee
208	Conversion of Secondary Residential OH to UG	Actual cost + \$125.00 engineering fee
208	Allowance for Line Relocation for New Residence or Major Renovation	\$1,800.00 max. allowance + \$125.00 engineering fee
209	Research Fee	\$25.00 per hour
401	Account Security (deposit)	Sum of 2 highest of previous 12 months at that location
401	Account Security (deposit) Interest Rate	1.0% per year
401	Credit Rating Service	\$5.00
403	Delinquency	\$40.00
403	Late Payment Penalty	1.0% per month or \$5.00, whichever is greater
405	Meter Re-read at Member's Request	\$40.00
407/506	Return Check	\$25.00
408	Meter Test	\$55.00
409	Time Extensions	\$10.00 per time extension – One per month — maximum 12 per year
411/510	Power Diversion	\$300.00 plus kwh/kw usage and damages
411/510	Power Diversion/Meter Tampering/Cut Seal	\$100.00 plus kwh/kw usage and damages
413	Field Service Trip	\$40.00

415	Reconnect and Delinquent Reconnect	\$40.00 standard hours \$60.00 after hours
415	Facilities Charge for Reconnect (in same name)	\$40.00 to reconnect + 9-month maximum facility fee
415	Security Light Reconnect (in same name)	\$40.00 to reconnect + 9-month maximum rate
416	FlexPay Account Activation – Initial Balance	\$50.00
502	FlexPay Account – Reconnection minimum positive balance	\$25/\$50.00 (for accounts with debt recovery)

APPENDIX B – DEFINITIONS

Actual Cost: The actual cost of a construction project includes all engineering, labor, overheads, contractors, materials, supplies, transportation costs, permits and other fees associated with provisioning electric service.

Applicant: A member-owner or prospective member-owner 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.

Automated Metering Infrastructure (AMI): An automated system which enables two-way communication to smart meters for remote meter reading, logging of daily energy usage and hourly interval data, power verification, outage detection, load monitoring, and serves as a gateway for application of specialized rates and energy efficiency programs.

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

Capital Credits: The amount of the Cooperative's net margins allocated to individual member-owners 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 and brush.

Cooperative: Blue Ridge Electric Membership Corporation, or any other member-owned, not-for-profit entity.

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

Delinquent Bill: A bill for which payment is not received in the office by the close of business on the 25th day from the billing date.

Development: Subdivided residential property where service to more than one member and/or more than one location is required.

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.

Foreign Electricity: Any electricity used by the member-owner 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-Owner: 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-owner who has fulfilled all obligations of the member-owner for any and all accounts under the member-owner's name and who, within the previous twelve months has had: 1) not more than two delinquent billings or two returned

checks or one delinquent billing and one returned check; 2) no involuntary disconnections; or 3) no violation of meter tampering.

Permanent: Buildings which have permanent foundations and permanent water and sewer facilities.

Person 65 Years or Older or Disabled: The Cooperative accepts the certification of the local county social services department as applied to the Energy Crisis Assistance Program.

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-owner'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-owner may be required to provide and maintain certain facilities between the Cooperative's facilities and the meter.

Power Diversion/Meter Tampering: Diversion of power by unlawfully reconnecting your service or the unauthorized alteration or cutting of the Cooperative's meter, wires, seals, 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-owner. (This is a misdemeanor under law and subject to penalty and affects the status of member-owner in good standing.)

FlexPay Billing: An option available from conventional billing where electric service charges are paid in advance at times and amounts that are convenient to the member. FlexPay accounts are not subject to late payment fees, delinquency fees or reconnect charges. Deposits are not required for new FlexPay accounts. Any deposits on existing accounts are applied to energy related charges when converted to FlexPay service.

Recent Member-Owner: No more than 24-months' gap in receipt of service.

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

Service Agreement: The agreement between the Cooperative and member-owner consisting of the following: completed application, FlexPay Election Agreement (FlexPay billing only) account security, Bylaws, all necessary rights of way and easements, current applicable rate schedules, 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.

Special Needs: For conventional billing accounts, any member of the member-owner's household who is 65 years of age or older or certified disabled, and qualified to receive energy crisis assistance through the Department of Social Services and cannot pay for their electric service bill in full. The Cooperative must be notified of need.

Standard Service Connection: Unless otherwise stated or agreed 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.

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