

**MOUNTAIN ELECTRIC COOPERATIVE
CONSUMER SERIES 8 POLICIES**

Policy
Bulletin

<u>No.</u>	<u>Description</u>	<u>Effective Date</u>
8-7	Membership Certificates	07/21/09
8-8	Connection Fees and Security Deposits	10/01/15
8-9	Billing and Collections	10/01/15
8-10	PrePay Program	8/01/15
8-11	Extreme Weather	10/01/15
8-12	Medical Necessity	10/01/15
8-13	Meter Tests	04/24/94
8-14	Residential Minimum Monthly Bill	10/01/15
8-15	Area Coverage Policy	05/01/94
8-16	Termination	10/01/15
8-17	Theft of Electricity	08/25/05
8-18	Schedule of Service Charges	10/01/15
8-19	Seasonal Residential	10/01/15
8-21	Appearances Before the Board of Directors	02/21/08
8-22	AMI/RF Opt-out Program	08/25/17

POLICY BULLETIN NO. 8-7

SUBJECT: **MEMBERSHIP CERTIFICATES**

POLICY:

A membership certificate of five dollars will normally be required whenever a meter is set unless the period during which service will be used is of unusually short duration and sufficient security deposit is collected.

Only one membership certificate will be required for each major governmental sub-division regardless of the number of meters in service for the governmental sub-division, including its agencies.

Membership certificates may be refunded to the consumer upon full payment of final bill. If full payment of final bill is not made, the membership certificate may be applied to the payment of said bill. Either shall constitute termination of membership in the Cooperative.

Changes in membership such as correction in name, transfer to another person, re-designation to joint status, etc., may be made by proper execution of a "request for change in Membership" form to be provided by the Cooperative.

All other provisions as outlined in the By-Laws, Article 1, Sections through 7.

POLICY BULLETIN NO. 8-8

SUBJECT: **CONNECTION FEES AND SECURITY DEPOSITS**

POLICY

I. SERVICE CONNECTION FEES

- A. Service Connection fee will be required of Members when they receive electric service from the Cooperative. The fee will be paid in advance of service and will be in addition to the regular membership certificate. A receipt for such connection fee will be issued to the Member.
- B. If a residential service is discontinued for any reason for one month or more, the Member will pay a Seasonal Residential Reconnection Charge to resume service in addition to the Service Connection fee. The charge will be computed in accordance with Policy Bulletin No. 8-19: Seasonal Residential.

II. DEPOSITS REQUIREMENTS

A deposit, as determined by the Cooperative, may be required of any Member before electric service is supplied.

A. Residential Rate (RS) Class of Consumers

1. The security deposit for any residential service will be determined as follows:
2. The standard security deposit is \$350.00. The standard residential deposit amount will not exceed twice the highest monthly bill of an average residential customer. The amount of an initial residential deposit will be based on the customer's credit risk factor as determined by Online Utility Exchange. A Credit/ID Report Application fee will be charged to customers for each credit report run. A Credit/ID Report is required for each new Member. The specific deposit amounts for returned credit ratings are as follows:

Credit Score Amount of Security Deposit

Above Average	(Green)	-0-
Average	(Yellow)	\$200.00
Below Average	(Red)	\$350.00 (Standard Deposit)

3. In the event it is not possible to obtain a score from the agency at the time applicant applies for electric service (applicant information not available, insufficient information to obtain score, technical difficulties, etc.) applicant will pay the standard security deposit (\$350). A refund may be made, upon request, by the member, when an appropriate credit score is established.
4. No additional security deposit will be required from any member with a "good paying history" already receiving electric service when: (a) transferring directly from one location to another, and/or, (b) when it is mutually desirable to correct the Cooperative records due to death of a member, legal separation, etc.
5. Definition: Good Paying history -Accounts that have no more than two "delinquent bill" payments, no disconnects and no return checks within the previous 24 month period.
6. Upon request by Member, the deposit may be refunded, or applied to the member's bill, upon completion of two (2) consecutive years of "good paying history".
7. In the event a customer has been disconnected within the previous twenty-four (24) months for non-payment, said customer will automatically be considered to have below average credit as outlined above and the appropriate deposit will be required.
8. In addition to the standard deposit, additional deposits may be required for existing Members. If a customer becomes a Payment Risk, or has falsified information on the application for service, the Cooperative will require a deposit equal to two times the highest bill in the previous 24 months at that account location. If no billing history is available, the deposit amount will be the standard deposit rate (\$350).

9. Definition: Payment Risk -Accounts that have been disconnected for non-payment twice within the previous 24 month period. New accounts from applicant with an existing or previous bad debt with the cooperative shall also be included.
10. Members participating in the Cooperative's prepay program are not required a security deposit.

B. General Service (GS) and Manufacturing Service (MS) Rate Class of Consumers

1. A security deposit of two times the highest estimated monthly bill will be required from each member in this class with the exception of those that qualify under Paragraph B2 and B3 below.
2. No additional security deposit will be required from any member with a "good paying record" already receiving electric service when transferring directly from one location to another, and/or adding minor related service (i.e., fence charger, sign lighting, pump or barn).
3. Subject to the approval and conditions of the Cooperative in its sole discretion the follow instruments/programs may be furnished in lieu of a cash deposit for commercial and industrial members:
 - a. CD made out in the Cooperative's name
 - b. Surety bond of \$1,500 or greater
 - c. Irrevocable letter of credit of \$1,500 or greater
 - d. Participation in a Cooperative approved deposit program.
4. Interest at the rate paid for passbook savings account by the Cooperative's primary bank, shall accrue on all deposits and will be credited annually or paid at the time the deposit is refunded.
5. Upon termination of service, any retained deposit will be applied against unpaid bills of the Member, and if any balance of the deposit remains after such application, said credit balance shall be refunded to the Member.
6. Deposit policies are to be applied without regard to race, color, creed, sex, age, national origin, or marital status.

POLICY BULLETIN NO. 8-9

SUBJECT: BILLING AND COLLECTIONS (for Non-PrePay Accounts)

POLICY:

I. BILLING

- A. Billing will be rendered monthly and is due and payable upon receipt of the bill by the consumer. Failure to receive a bill does not release consumer from payment obligation.
- B. Bills are delinquent if not paid by the Due Date. If payment has not been received by the Due Date, a Delinquent Notice will be mailed to the consumer at least five (5) days prior to the scheduled disconnection date.
- C. Payments made after the Due Date will be subject to a late payment charge. The late payment will be computed as a charge of 5 percent on the unpaid portion of the electric bill excluding other charges and sales tax.

- D. Should the due date of the bill fall on a Saturday, Sunday, or holiday, the business day next following the due date will be held as a day of grace for delivery of payment.
- E. If payment has not been received by the tenth (10th) day after the Due Date, electric service shall be subject to disconnection without further notice, in accordance with the notification provided on the Delinquent Notice.
- F. Bills may be paid at any of the Cooperative's offices or designated collection stations by applicable electronic methods or by mail to the address provided on the billing statement. The Cooperative's offices are equipped with night deposit boxes for Member convenience; however, any payments received after regular designated business hours will be considered received as of the next business day. Collection stations may not accept delinquent payments.

II. EXCEPTIONS TO DISCONNECTION POLICY FOR DELINQUENT BILLS

The Cooperative may deviate from its policy of disconnection for delinquent bills in recognition of extenuating circumstances but only in accordance with the following standards:

- A. When disconnection is scheduled on any day preceding a day when the Cooperative's office is scheduled to be closed.
- B. When Member's past due balance is less than \$50.
- C. When a deferred "arrangement to pay" plan has been implemented. If Member does not fulfill the obligation of their "arrangement to pay" plan, the Cooperative will have the right to disconnect service, without further notice.
- D. When a power contract exists with terms or provisions different than as specified in this policy; then the terms or provisions of the power contract shall apply.
- E. When to disconnect service might pose immediate danger to the Member or other persons in household due to a serious medical condition that depends on electric power to sustain life. (See Policy Bulletin No. 8-12: Medical Necessity).
- F. During extreme cold or hot weather conditions (See Policy Bulletin No. 8-11: Extreme Weather).

III. THIRD PARTY NOTIFICATION

The cooperative will provide third party notification to ensure elderly, disabled or special medical condition consumers are not unnecessarily disconnected. When a "delinquent notice" is issued, the third party will be notified by mail also. To be eligible, the consumer must be an elderly individual or individual with special medical conditions or major disability. The Member must submit written request and request must state reason third party notification is needed, include mailing address of third party, and must be signed by both the Member of account and the third party. The Manager of Office Services will review and approve all requests.

IV. LEVELIZED BILLING

The Cooperative will offer a levelized payment plan to residential consumers who meet the plan's eligibility requirements.

- A. Under this plan, eligible residential consumers will pay, on a monthly basis, a rolling 12-month average billing, based on the current month's billing and the previous 11 month's billing. Under the program, bill amounts typically vary less than 15 percent each month.

- B. Enrollment Dates: Enrollment is only available April 1 through December 31 during normal business hours. Enrollment is not available between the dates of January 1 and March 31 (January, February and March).
- C. If a consumer does not fulfill the requirements of the levelized payment plan, the Cooperative may remove consumer from the levelized payment plan, in which case, all amounts owed shall immediately become due and payable, failing the payment of which, the Cooperative may disconnect service to Member pursuant to the disconnection rules for non-levelized billing accounts as provided elsewhere in the Cooperative policies and Rules and Regulations.

V. PAYMENT ARRANGEMENTS

Payment arrangements are any arrangements or agreements between the Cooperative and an eligible Member in which the scheduled disconnection date of an outstanding bill is extended (up to 10 days beyond the due date). If a consumer does not fulfill the terms of such payment arrangements, the Cooperative will have the right to disconnect service, without further notice.

VI. DISPUTED BILLS

Upon request, a Member will be granted a hearing by appearing in person at the local Cooperative office prior to the date of the discontinuance of service in accordance with Policy Bulletin No. 8-16.

VII. RENDERING OF BILLS

The monthly billing cycle shall be for an approximate thirty (30) day period. The annual billing cycle shall be twelve (12) monthly billing cycles. Bills for electric service will be rendered monthly, unless service is rendered for a period of less than a month. The "due date" is fixed to the same day of the month and shall be at least 15 days after the billing date. Bills will be rendered as promptly as practical following the reading of meters.

VIII. BILLING RELATED CHARGES

- A. Any account that has been disconnected for non-payment will be required to pay the Cooperative for all "past due" amounts, plus all service charges for disconnecting and reconnecting or account holder must enroll in the Cooperative's PrePay billing program.
- B. A Collection Fee will be charged for collection services relating to delinquent bill or returned check/draft/e-check, including collecting a returned check/draft/e-check by phone, making trip to Member/account location to deliver a delinquent notice, accept payment or disconnect service, and for processing a remote disconnect order due to delinquent bill. Return check and/or reconnect charge(s) will be in addition to this fee.
- C. A Reconnect Charge will be charged to reconnect service where service has been disconnected for delinquent bills.
- D. An afterhours Reconnect Charge applies to reconnection of service between 4:00 p.m. and 8:00 a.m. on business days and all day on weekends and holidays.
- E. A Returned Check Charge will be charged for any returned check, draft and/or e-check.
- F. For members with hardship or other special extenuating circumstances, special counseling is available.

IX. PREPAY BILLING

For PrePay billing, see Policy Bulletin No. 8-22: PRE-PAY PROGRAM.

SUBJECT: PREPAY PROGRAM**POLICY****I. OBJECTIVE & OVERVIEW**

The Cooperative offers PrePay billing to residential service accounts as an alternative to conventional billing. Because customers pay for electricity in advance, the program does not require members to have a deposit, there are no monthly bills and no late fees. With PrePay billing, electric usage, charges and credits are posted daily. Each month, the daily account postings are reconciled to the appropriate rate and any difference is credited or debited to the account. The customer's usage and balance are tracked daily and are available to the customer via text, email and website. PrePay members choose how much and how often they pay for electricity. When the funds in the account runs low, the customers will get an alert by text or e-mail (customer's choice), letting them know it's time to recharge the account. If funds run out, the service is automatically disconnected. Customers can purchase more power online anytime or at the office during business hours. Once payment is received, service will normally be automatically restored, usually within sixty (60) minutes.

II. PROVISIONS

- A. **Eligibility:** Prepay billing is available to residential accounts in locations where the automatic remote service switch (RSS) communication system is operational; and where electric service is delivered through a standard 200 amp AMR meter; and member must have a text enabled cell phone or email. Members with heat pump loans, levelized billing, or automatic bank draft are not eligible. A PrePay agreement is required.
- B. **Enrollment Agreement:** A member desiring to enroll in PrePay billing shall submit a completed PrePay application to their local MEC office.
- C. **Initial Fees, Credit Balance and Handling of Existing Balances/Deposits:**
 1. The normal membership fee, Service Connection fee and any applicable taxes will apply for new accounts.
 2. The Minimum PrePay Start-up Credit Balance is \$75.00.
 3. Existing members with billed or unbilled account balances shall pay the existing balance upon enrollment to PrePay billing or, when approved by Manager of Office Services, allow MEC to collect the balance through the debt recovery feature of the PrePay program.
 4. Deposits that have been paid on the account will be applied initially to any existing balance and, secondly, will be credited to the member's PrePay account.
- D. **Fees:** The member must pay all applicable fees as conventional billing members with the following exceptions. All applicable taxes will be in addition to the below charges.
 1. Because customers pay for electricity in advance, there is no late payment fee and a deposit is not required.
 2. A monthly PrePay Administration fee is applied to all accounts within the PrePay program.
 3. The PrePay Automatic Reconnect Charge, regardless of time of day, is applied when the account is reconnected.
 4. A Reconnection Charge will be charged to PrePay customers for reporting a situation that results in an serviceman being dispatched to the location unnecessarily, such as reporting an outage at the account location that has been disconnected for zero balance or requesting a reconnection of service.

- E. **Minimum Payment:** There is \$25.00 minimum amount for payments at a Cooperative office and “no minimum” for online payments.
- F. **Time Extensions/Payment Arrangements:** PrePay accounts are not eligible for time extensions or payment arrangements.
- G. Member Notification, Daily Usage tracking:**
1. Participants will receive daily notifications/alerts of daily usage (in dollars) and account balances via text messaging and/or email. Balance information may also be retrieved through the website at www.mountainelectric.com. Participants may also check daily account balances by visiting or calling their local MEC office. Participants may view and/or change their individual alert settings by logging into their account via the MEC website. Failure to receive these notifications shall not release members from payment obligations.
 2. The Cooperative will set the initial (or default) alert setting when the account is set up for PrePay.
- H. **Disconnection of Service by Cooperative:** The cooperative may disconnect service immediately and without notice for the following reasons:
1. Discovery of meter or AMR/RSS equipment tampering or diversion of current;
 2. Use of power for unlawful, unauthorized or fraudulent reasons;
 3. Discovery of an electrical condition determined by the Cooperative to be potentially dangerous and eminently hazardous to life of property of the Cooperative or the public;
 4. Any account that has an exhausted pre-paid balance.
- I. **Debt Management:** Existing members with account balances can use the debt management program. If debt recovery is utilized, member’s current deposit will be applied to the debt and a minimum of 30% of each payment will be applied to the debt until the balance is eliminated.
- J. **Authorities:** The Manager of Office Services shall maintain a file of executed completed pre-pay agreements and will be responsible for implementing this policy according to the procedures herein set forth.

POLICY BULLETIN NO. 8-11
 SUBJECT: **EXTREME WEATHER**

POLICY:

- I. The Cooperative will postpone the disconnection of service of non-prepay residential customers scheduled for disconnection due to non-payment during extreme cold or hot weather conditions as described under the following conditions:
- A. An extreme weather day is defined as a day when the forecasted high temperature is expected to be below 32°F or exceed 100°F for the town that the main or district office is located (Mountain City or Newland).
 - B. The temperature forecast shall be observed each morning from local weather services as follows:
 - Mountain City’s service area - AccuWeather.com for Mountain City, TN
 - Newland’s service area – Ray’s Weather Center (averyweather.com) for Newland, NC

- C. Where disconnection is postponed due to an extreme weather condition, the postponement will not extend beyond the extreme weather condition and at no time beyond 7 calendar days from the normal disconnection date.
- D. Disconnection due to a broken arrangement will be performed as scheduled without regard to temperature.
- E. The General Manager (Mountain City office) or District Manager (Newland office) shall be notified whenever normal delinquent bill disconnection delays (due to extreme cold weather) exceed five business days.

II. The Manager of Office Services will be responsible for implementing this policy according to the procedures herein set forth.

POLICY BULLETIN NO. 8-12
SUBJECT: **MEDICAL NECESSITY**

POLICY

I. OBJECTIVE & OVERVIEW

Policy establishes additional notification and disconnection procedures to minimize risk of unexpectedly disconnecting members with serious medical conditions that depend on electric power to sustain life.

II. PROVISIONS

A. Eligibility and the Medical Necessity Form

- 1. Prepay and General Power consumers are not eligible.
- 2. To be eligible for special procedures due to medical necessity:
 - a. Member and Patient must complete the application form (EXHIBIT 8-12A).
 - b. Patient must certify that electric service termination would create a life-threatening medical situation for him/her.
 - c. A licensed medical doctor must certify that the disconnection of service would create a life-threatening medical situation for the member or other permanent resident of the member's household.
 - d. The form must include all requested information about the medical condition and information must be legible and comprehensible prior to consideration for approval by the Cooperative.
 - e. The Cooperative may require confirmation by the medical doctor concerning the medical condition prior to consideration for approval.
 - f. The certification must be approved by the Cooperative on the Cooperative Medical Necessity Form.
- 3. It is the responsibility of the member to ensure that the form has been approved by the Cooperative.

B. Annual Expiration Date of Medical Necessity Form

- 1. All forms dated earlier than December 1st by the physician, will expire at midnight, on December 31st of the current calendar year, or earlier, as indicated by the expected length of the

medical condition. Forms signed by physician after December 1st will be eligible to expire up to but not beyond December 31st of the following year.

2. It is the Customer's responsibility to submit a new completed form each year.

C. Additional Procedures: Upon Cooperative approval of a member's medical necessity form, Cooperative will undertake additional procedures to ensure member has knowledge of pending disconnection, and member has adequate time to make alternative shelter arrangements:

1. Employee will notify member by phone of pending disconnection. The phone number contacted will be the number listed in Cooperative's data base for that account. If customer cannot be reached, an employee will travel to residence on the scheduled disconnection date to notify the occupant(s) at the residence of pending disconnection. If consumer is not at home, service will be left connected for three (3) additional days and a notice will be left at a location conspicuous to the occupants.
2. After the three day notice is left at the residence, it is the responsibility of the member to make further contact with the Cooperative to request disconnection postponement or other assistance. If no further contact is made by the member, the service will be disconnected without further notice.
3. When requested by member, the Cooperative will postpone disconnection to allow the member time to make payment or seek alternative shelter. The amount of postponement will be determined by the Cooperative and will not exceed fourteen (14) days from the originally scheduled disconnection date. If full payment of the past due amount, including all late fees, is not received by the end of the fourteen (14) day postponement period, service will be disconnected without further notice.

D. Limits: To limit potential abuse of this policy, postponement of disconnection will be granted no more than two (2) times in a calendar year period as designated in the Medical Necessity Form.

E. Miscellaneous: The Manager of Office Services shall maintain a file of Cooperative approved Medical Necessity Forms and will be responsible for implementing this policy according to the procedures herein set forth.

POLICY BULLETIN NO. 8-13

SUBJECT: **METER TESTS**

POLICY:

A Member who believes that the meter through which he is receiving service is registering inaccurately may have said meter tested upon signing a request for meter test and making a Meter Test Deposit. The Cooperative will then remove the meter and have it tested. The meter will then be handled as follows:

- A. If the meter tests more than the standard allowable range of plus or minus two percent, the Cooperative will return the deposit made by the consumer. The consumer's bill or bills under question will be adjusted for a period of up to ninety days preceding the removal date of the defective meter or, for a period of in excess of ninety days subject to approval of the General Manager.
- B. In the event the meter tests within the standard allowable range of plus or minus two percent, the consumer shall forfeit the deposit to help offset the cost of removing and testing the meter.

POLICY BULLETIN NO. 8-14**SUBJECT: RESIDENTIAL MINIMUM MONTHLY BILL****POLICY:**

Residential accounts are subject to a Minimum Monthly Bill. The Minimum Monthly Bill, as stated in Residential Rate Schedule RS, shall be based upon the Cooperative's average cost of rendering service to its residential customers. The amount shall be reviewed periodically and shall be based upon the distribution cost factors of providing service.

POLICY BULLETIN NO. 8-15**SUBJECT: AREA COVERAGE POLICY****POLICY:**

It shall be the policy of Mountain Electric Cooperative, Inc. to provide service to new consumers within the service area at the lowest cost consistent with sound economy and good management without discrimination and favoritism. Line extension charges and/or power contracts may be required to provide reasonable assurance of adequate revenues to amortize the Cooperative's investment. The Cooperative reserves the right to alter policy provisions if, in the sole judgment of management and/or the Board of Trustees, increased financial security is required.

POLICY BULLETIN NO. 8-16**SUBJECT: TERMINATION****POLICY:****I. GENERAL**

The Cooperative may discontinue service when: a Member requests it; a delinquent bill is unpaid after proper notice; a hazardous condition exists on the Member's premises; the Member fails to provide credit/ID information or security deposit, Member has a disputed or unpaid separate account for electric service with the Cooperative; a Member has obtained service in another name or location to avoid previous incurred debts to the Cooperative; a Member refuses to grant the Cooperative proper access to Cooperative equipment and right-of-way; a Member violates a Cooperative rule or regulation; a Member causes or permits unauthorized use or diversion of electricity on his property or there is the appearance of diversion of electricity on the Member's premises. The discontinuance of service by the Cooperative for any cause as stated in this rule does not release a Member from his obligations to the Cooperative for the payment of bills.

II. TERMINATION OF SERVICE DUE TO DELINQUENT BILL

- A. Bills are delinquent if not paid by the Due Date. If payment has not been received within the ten (10) days following the Due Date, electric service is subject to disconnection in accordance with Cooperative's policies and Rules and Regulations.
- B. Termination will not be made on any day preceding a day when the Cooperative's office is scheduled to be closed.
- C. Disconnection of service will be waived for accounts with a past due balance less than \$50.
- D. The Cooperative may deviate from its policy of disconnection for delinquent bills in recognition of extenuating circumstances but only in accordance with the following standards:

1. When a deferred “arrangement to pay” plan has been implemented. If Member does not fulfilled the obligations of their “arrangement to pay” plan, the Cooperative will have the right to disconnect service, without further notice.
 2. When a power contract exists with terms or provisions different than as specified in this policy; then the terms or provisions of the power contract shall apply.
 3. When to disconnect service might pose immediate danger to the Member or other persons in household due to a serious medical situation that depend on electric power to sustain life. (See Policy Bulletin No. 8-12: Medical Necessity).
 4. During extreme cold or hot weather conditions (See Policy Bulletin No. 8-11: Extreme Weather).
- E. Notwithstanding extenuating circumstances, if Member does not make payment, notify Cooperative of dispute of bill, or make other arrangements acceptable to Cooperative, Cooperative will proceed on schedule with termination on date stated on the Delinquent Notice.

III. DELINQUENT BILL NOTICE

If payment has not been received by the Due Date, a Delinquent Notice will be mailed to the consumer at least five (5) days prior to the scheduled termination date. The Delinquent Notice will include:

1. The amount due, including any other charges.
2. The last date of payment and place of payment in order to avoid termination.
3. Special counseling for hardship cases is available.
4. Instructions as to how to apply for a hearing if the bill is disputed.
5. The Distributor may notify Customer by phone or in person in addition to such written notice when practical.

IV. BILL DISPUTES

- A. In the event of a dispute between a consumer and the Cooperative regarding any bill for electric service, the Cooperative will promptly make such investigation as required by the particular case, and report the results thereof to the consumer, along with its position on the matter. In the event consumer is not satisfied with the results of the Cooperative's investigation and position, a hearing may be requested to give the Member the opportunity to dispute the findings of the investigation.
- B. The request for a hearing must be made at least three business days prior to the scheduled disconnection date to avoid service disconnection due to a delinquent bill dispute.
- C. Hearings on disputed bills will be held by appointment at a Cooperative office during business hours (normally between the hours of 8 a.m. and 5 p.m. - Monday through Friday). Hearings will be conducted by the Manager of Office Services or his/her designated representative. Once the decision of the Manager of Office Services is rendered, the Member will promptly be notified.
- D. If the hearing decision cannot be rendered prior to the disconnection date, the Member shall not be required to pay the disputed portion of the bill which exceeds the amount of the consumer's average monthly bills at current rates, pending the completion of any investigations and resolution of the dispute, but in no event more than 30 days. For the purposes of this rule only, the consumer's average monthly bills at current rates will be the average of the consumer's gross electric service billings for the preceding 12-month period. Where no previous usage history exists, consumption for calculating the average monthly usage will be estimated on the basis of usage levels of similar consumers and under similar conditions.

- E. The Member has the right to a post termination hearing under the above hearing procedures if there was no hearing before termination and if Member requests such post termination hearing within three business days following such termination.

V. TERMINATION ACTION

- A. For onsite termination, the employee carrying out the termination procedure will attempt, before disconnecting service, to contact the Member at the premises in a final effort to collect payment and avoid termination. If Member is not at home, service may be left connected for three additional days and a further notice left at a location conspicuous to the Customer. A Collection Charge will be applied.
- B. Service locations equipped with remote disconnection equipment will be disconnected remotely from office with no attempt to contact customer. A Collection Charge for processing a remote non-prepay disconnection order will be applied. The Collection Charge does not apply to PrePay customers.
- C. PrePay customers will have their service automatically disconnected when their balance reaches zero (\$0.00). PrePay terminations are not charged a Collection Charge.

POLICY BULLETIN NO. 8-17

SUBJECT: THEFT OF ELECTRICITY

POLICY:

I. PURPOSE

This policy provides general procedures and guidelines for reporting, investigating and taking the appropriate action when meter tampering or power theft is suspected.

II. GENERAL REQUIREMENTS

- A. All Employees are responsible for reporting irregularities in wiring; such as but not limited to wiring ahead of meter, jumpering of meter base lugs, broken meter seals, damaged meter, the meter show signs of tampering or the theft of power in any way. Employees or their supervisors shall immediately report these irregularities to the Manager of Office Services.
- B. When a meter seal is broken, or the meter shows signs of tampering, the meter may be removed and tested. The meter testing department shall promptly test meter and report results to the Manager of Office Services.
- C. Upon notice, the Manager of Office Services is responsible for the most prompt investigation of such irregularities and for making a detailed report that shall include: the member of record and/or the occupant of the property at the account service location, the irregularity found; how long the situation had existed; and estimated of the amount of power not metered; and the name of the reporting employee.
- D. Upon verification that service facilities were entered into, or tampered with in such a manner as to allow electricity to be illegally consumed or the measurement of that usage to be impaired, the Manager of Office Services shall:
 - 1. Order the immediate disconnection of power to service.
 - 2. Assess to the Member of record and/or the occupant of the property the following charges or fees:
 - a. The estimate billing for unmetered power usage;

- b. Cost of damage to equipment;
 - c. A Meter Tampering Investigation Fee, and
 - d. Normal reconnection fee and deposits (if applying for reconnection);
3. At the discretion of the Manager of Office service and upon sufficient evidence of energy diversion, the occupant will be prosecuted as specified by the law. Repeated offenses shall be prosecuted whenever possible.

III. RESPONSIBILITY

The Manager of Office Services will be responsible for implementing this policy according to the procedures herein set forth.

POLICY BULLETIN NO. 8-18

SUBJECT: **SCHEDULE OF SERVICE CHARGES**

	<u>Fee</u>
Membership Fee	\$5.00
Service Connection Fee (Business Hours)	\$25.00
Service Connection Fee - Prepay	\$25.00
Seasonal Residential Reconnection Charge *1 (See Note below)	Varies
Credit/ID Report Application Fee	\$3.00
Reconnect Charge (During Business Hours)	\$25.00
Reconnect Charge (Afterhours) *2	\$50.00
PrePay Automatic Reconnect Charge (all hours)	\$25.00
Monthly PrePay Administration Fee	\$6.00
Returned Check Charge	\$25.00
Meter Test Deposit (per Policy Bulletin No. 8-13: METER TESTS.)	\$25.00
Collection Fee (per Policy Bulletin No. 8-9 BILLING & COLLECTIONS)	\$10.00
Temporary Service Charge	\$25.00
Credit Card Convenience Fee (Discover, Master Card, Visa and American Express credit cards accepted)	2.45%
Meter Tampering Investigation Fee (per Policy Bulletin 8-17: THEFT OF ELECTRICITY)	\$250.00

Notes:

*1 – This fee applies to residential accounts that have been disconnected for greater than one month. The amount charged is determined in accordance with Policy Bulletins No. 8-19: SEASONAL RESIDENTIAL. The charge will not exceed \$138.95.

*2 - After Hours Definition: 4:00 p.m.to 8:00 a.m. on business days and all day on weekends/
Holidays.

Applicable taxes are not included in stated fees/charges

POLICY BULLETIN NO. 8-19

SUBJECT: **SEASONAL RESIDENTIAL**

POLICY:

If residential service is discontinued for any reason for over one month, there will be required a Seasonal Residential Reconnection charge to resume service. The amount will be equal to the sum of the Minimum Monthly Bills for each month the service was discontinued. The Seasonal Residential Reconnection charge shall not exceed an amount equal to the minimum monthly bill multiplied by seven (7). In addition to the Reconnection charge, a Service Connection fee(s) (charge for setting the meter) will apply.

POLICY BULLETIN NO. 8-21

SUBJECT: **APPEARANCES BEFORE THE BOARD OF DIRECTORS****I. PURPOSE:**

This policy provides procedures and conditions upon which members or other persons may attend meetings or appear before the Board of Directors.

II. PROVISIONS:

- A. The individual must first have presented the suggestion or complaint to the management staff and must have attempted to resolve the matter up through the General Manager.
- B. Failing to resolve the matter to the individual's satisfaction, he/she must then present a written request to the General Manager for an audience with the Board of Directors at least 15 days prior to a scheduled board meeting at which the individual wishes to appear. The written request must state specifically the nature of the suggestion and the specific action he would request the Board of Directors to take. The request should be in the general form of the "Director Meeting Attendance Request," attached hereto and made a part of this policy.
- C. Upon receipt of the written request, the Board of Directors shall determine if it shall extend an invitation to appear before the Board of Directors to the requesting party, and if an invitation is extended, the Board of Directors shall establish a date, time, and place when the requesting party may appear before the Board of Directors to present or discuss the matters detailed in the written request.
- D. Only members or other persons who have made a written request required by Section II.B. hereof, and to whom an invitation to appear before the Board of Directors has been extended, may appear before the Board of Directors.
- E. Any appearance before the Board of Directors shall be limited to consideration and representation of the specific matters which the requesting party set forth in writing as required by Section II.B. hereof. If more than one member or other person requests to appear before the Board of Directors in connection with the same subject, the Board of Directors may restrict the maximum number of those who may appear, which may be less than the total number who joined in the request. Any member or other person appearing before the Board of Directors will be given a reasonable length of time, as determined by the Board of Directors, to present and discuss the matters set out in his/her written request.
- F. Whenever one or more members or other persons are allowed to attend a meeting of the Board of Directors:
 1. Such person(s) shall not impair or interfere with the conducting of the Board meeting.

2. The Board may ask any questions that it deems appropriate, but the Board will not discuss, respond to, or take any action with respect to such matter or inquiry until after such person(s) have retired from the meeting room. After deliberating on the matter and making a decision thereon, the Board shall cause such person(s) to be informed of the decision, including, if such be the case, that no action was or will be taken.
- G. The Board of Directors, by the affirmative vote of at least two-thirds of its members, may waive the requirements of Section II.A. through II.D. hereof and may permit a member or other person to immediately appear before the Board of Directors upon oral or written request when the Board of Directors determines that the subject of such request constitutes a potential emergency which if not immediately heard and discussed could cause substantial injury to the best interests of the Cooperative.
- H. At each meeting of the Board of Directors, the President shall report any written requests to appear before the Board of Directors, which he has received and shall give a status report on each such request.

III. RESPONSIBILITY

The Board of Directors is responsible for the administration of this policy.

POLICY BULLETIN NO. 8-22

SUBJECT: AMI/RF OPT-OUT PROGRAM

POLICY:

I. OBJECTIVE & OVERVIEW

- I. To allow a member to opt out of receiving an Advanced Metering Infrastructure and/or Radio-Frequency (AMI/RF) metering system at his/her service location.
- J. To recognize the loss of timely service data, additional work and expense incurred by allowing members to opt out and to appropriately recover these expenses so that other members are not negatively affected by this practice.

II. PROVISIONS

The Cooperative may deviate from its policy of disconnection for delinquent bills in recognition of extenuating circumstances but only in accordance with the following standards:

- A. The opt-out program shall be available to all members, except for the following:
 3. Members who participate in services or optional rates that require the AMI/RF system (e.g., Pre-Pay).
 4. Members who are found to tamper with the meter within the preceding 36 months.
 5. Members who have a poly-phase service or are served by a demand meter.
 6. Members who have been disconnected for nonpayment within 12 months prior to requesting the opt-out program.
 7. Members who are already on the Opt-out program and receive a notice of Past Due Payment and do not bring the account current before 8:00 a.m. on the disconnect date listed on the Notice.

8. Accounts that have a landlord arrangement that allows an account owned by a tenant to revert back into a landlord's name in the event of a vacancy.
 9. Members whose meters are inaccessible to read (e.g. physical obstructions, hazardous conditions, or denial of access).
- B. A member desiring to opt-out from the AMI/RF program shall complete and submit a RF Meter Opt-out Request Form to their local MEC office.
 - C. A fee will be charged for each meter location currently in place on the date the monthly bill is calculated and shall be charged to the member's account each month to cover the additional work necessary to calculate the member's monthly electric bill.
 - D. Members who opt-out after an AMI/RF meter is installed will be charged a change-out fee to replace the AMI/RF meter with a non-AMI/RF meter.

III. RESPONSIBILITY

- A. The General Manager is responsible for the administration of this policy.