

Rules & Regulations

OF
THE ARK VALLEY ELECTRIC
COOPERATIVE ASSOCIATION, INC.



Office

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SECTION 1 – DEFINITIONS

In addition to the usual meaning, all words or terms used in these Rules and Regulations, in Rate Schedules, and in Electric Service Agreements are intended to have the meanings regularly ascribed to them by the electric industry. The following terms, unless otherwise indicated therein, shall have the specific meanings given below:

A. COOPERATIVE: The Ark. Valley Electric Cooperative Association, Inc., South Hutchinson, KS 67505, telephone 620-662-6661, which furnishes electric service under these Rules and Regulations.

B. CUSTOMER: Any person, partnership, association, firm, public or private corporation, limited liability company, or governmental agency applying for or using electric service supplied by the Cooperative.

C. ELECTRIC SERVICE AGREEMENT: The application, agreement, or contract pursuant to which the Cooperative supplies electric service to the Customer.

D. MULTIPLE RESIDENTIAL COMPLEX: Includes newly constructed mobile home courts and apartment buildings, as well as renovated mobile home courts and apartment buildings where there exists two or more living facilities to be occupied as places of residence. The term does not include:

(1) Operations catering predominately to transients, such as hotels, motels, hospitals, rooming or boarding houses, recreational travel trailer parks, dormitories, rest homes, orphanages, or eleemosynary institutions; or

(2) Buildings or structures used essentially for general office, commercial, or industrial purposes.

E. NON-RESIDENTIAL CUSTOMER: A general term for a Customer who is not considered a Residential Customer.

F. RESIDENTIAL CUSTOMER: A Customer applying for or using electric service at a home or farm service location occupied as a place of residence.

SECTION 2 – APPLICATION FOR SERVICE AND AGREEMENTS

A. APPLICATION BY CUSTOMER

An Application for electric service shall be made in writing by the Customer to the Cooperative on the Cooperative's Standard Agreement for Electric Service and Membership form. The Customer may, at the discretion of the Cooperative, be connected provisionally after an unwritten request is made either in person or by telephone provided the written Application is signed and submitted to the Cooperative within ten (10) days thereafter. If the Customer fails to sign the written Application within ten (10) days, the Cooperative may disconnect electric service without further notice to the Customer. This Application becomes an Electric Service Agreement or contract between the

Cooperative and the Customer when accepted in writing by the Cooperative. Prior to delivery of electric service, the Cooperative may require written easements to be furnished by the Customer for line construction on, or adjacent to, property owned by the Customer, and the Cooperative may require a separate Electric Service Agreement for each class of service at the same location or at each separate location. If the Cooperative must obtain an easement or right of way from another landowner in order to deliver service to the Customer, the Customer must reimburse the Cooperative for any such expenses, including but not limited to attorney's fees.

B. ADDITIONAL PROVISIONS

(1) Electric service will be supplied to the Customer under the provisions of the Cooperative's Articles of Incorporation, By-Laws, the Customer's Electric Service Agreement, the Cooperative's applicable Rate Schedules, all Rules and Regulations adopted by the Board of Trustees, and any special Contract or Agreement with the Customer. These Rules and Regulations may be altered or amended by the Board of Trustees from time to time. The continued taking of electric service by the Customer shall constitute acceptance of, and an Agreement to be bound by, all such provisions. Any changes in Articles, By-Laws, Rate Schedules, or Rules and Regulations shall act as a modification of the Electric Service Agreement then in existence without further notice to the Customer. If a conflict should exist between the Standard Agreement for Electric Service and the Rules and Regulations, the Rules and Regulations shall apply.

(2) The Customer will furnish, at the request of the Cooperative, information sufficient to determine the size and characteristics of the load, the location of the premises to be served, and any information needed to designate the class or classes of electric service to be supplied and the conditions under which it will be supplied.

C. RATES

Rates for electric service shall be those rates of the Cooperative currently in effect which are applicable to the Customer and as provided by the Cooperative's Articles of Incorporation and subject to change as provided by law. Copies of the Rate Schedules currently in effect may be reviewed by the Customer at the Cooperative's principal place of business. The Customer's eligibility for service under any particular Rate Schedule shall be determined solely by the Cooperative based upon the eligibility criteria set forth in the Rate Schedule. In the event the Customer is eligible for service under one or more Rate Schedules, it shall be the sole responsibility of the Customer to determine the Rate Schedule under which the Customer will receive service. In the event the Customer makes no such election, the Cooperative may provide service under that Rate Schedule which the Cooperative determines to be applicable to the Customer. The Cooperative shall not be liable, and shall be held harmless,

from the Customer's failure to elect a Rate Schedule under which service shall be provided.

D. TERM OF CONTRACT

Unless otherwise agreed to by the Board of Trustees, no Electric Service Agreement will be effective for a minimum period of less than one (1) year commencing on the date that service is made available to the Customer. Regardless of any minimum period service agreed to, the terms and conditions contained within the Electric Service Agreement shall continue after the expiration of the initial contractual period until canceled by the Customer upon proper notice to the Cooperative.

E. TEMPORARY SERVICE

(1) Temporary service may be supplied in accordance with the applicable Rate Schedule for the type of service to be supplied. Before such temporary service can be supplied, temporary service charges must be paid in advance, which shall be determined as follows:

- (a) An amount equal to either the Temporary Service Minimum Fee stated in the Service Fees Rate Schedule or the estimated construction costs, including the estimated labor, overhead, and expendable material charges for both installation and removal of the temporary service, whichever amount is greater; plus
- (b) A security deposit or deposits, if required, in accordance with these Rules and Regulations.

(2) Upon removal of the temporary service, and after the Customer's bills for electric service have been paid, all temporary service charges in excess of the Temporary Service Minimum Fee or the actual construction cost incurred by the Cooperative, whichever prepaid amount is greater, shall be refunded to the Customer. In the case that the actual construction cost exceeds the amount of the temporary service charges, as defined above, the Customer shall owe the Cooperative the difference. The refund of any security deposit, or deposits, shall be done, when applicable, in accordance with these Rules and Regulations.

F. CHANGE OF OCCUPANCY

When a change of occupancy is to take place on any premises supplied with electric service by the Cooperative, the outgoing Customer shall give notice to the Cooperative's office not less than seven (7) days prior to the date of change. If the connect or disconnect request is unwritten, a record of the request should be made by the Cooperative and retained for no less than one (1) month. The outgoing Customer shall be held responsible for payment of all electric energy recorded by the meter until the requested time of termination. If no such notice is given, the outgoing Customer will be held responsible for electric energy recorded during the time in which the account continues to be

in the Customer's name as shown by the records of the Cooperative. The Customer will not, by such notice, be relieved of any obligation(s) already accrued under the Electric Service Agreement or other contract with the Cooperative. The incoming Customer shall be required to submit a Standard Agreement for Electric Service and Membership form. If the incoming Customer fails to do so within ten (10) days, the Cooperative may disconnect electric service without further notice.

G. RE-SELLING OR REDISTRIBUTING OF SERVICE

The electric service provided is for the sole use of the Customer. The Customer shall not sell, share, or re-deliver electric service to any person, except where specifically provided by applicable Rate Schedule or special contract. Any infraction of this rule will be sufficient cause for discontinuance of service under Section 5(A)(1)(j).

SECTION 3 – CREDIT AND SECURITY DEPOSIT REGULATIONS

A. ESTABLISHMENT AND MAINTENANCE OF CREDIT

(1) Credit Information: The Customer may be required to provide reasonable credit information to the Cooperative before service is made available. The credit information may be requested and shall be provided on the Cooperative's Standard Agreement for Electric Service and Membership form. The Cooperative may request positive identification (photo ID with name) and a Social Security or federal ID number from new Customer.

(2) Security Deposit Required: The Cooperative may, at the time of Application for service, require a security deposit to guarantee payment of bills for electric service rendered if:

(a) The Cooperative establishes the Customer has an unsatisfactory credit rating or has an insufficient prior credit history upon which a credit rating may be based.

(b) The Customer has an outstanding, undisputed, and unpaid service account with a utility that accrued within the last twenty-five (25) years.

(c) The Customer has interfered with, diverted, or used (meter bypass), in an unauthorized manner, the electric service of a utility within the last twenty-five (25) years.

(3) The Cooperative may at any time after application for service, upon five (5) days' written notice, require a security deposit to guarantee payment of bills for utility service rendered if:

(a) The Customer has an outstanding, undisputed, and unpaid service account with a utility that accrued within the last twenty-five (25) years.

(b) The Customer has interfered with, diverted, or used (meter bypass), in an unauthorized manner, the electric service of a utility within the last twenty-five (25) years.

(c) The Customer fails to pay an undisputed bill before the delinquency date for two (2) consecutive billing periods, one of which is at least sixty (60) days in arrears.

(4) No deposit will be required due to a Customer's race, sex, creed, national origin, marital status, age, number of dependents, source of income, or geographical area of residence.

(5) Guaranty: In lieu of requiring a security deposit, the Cooperative may accept the written guaranty of a responsible party as surety for a Customer's Electric Service Agreement.

B. CALCULATION AND PAYMENT OF SECURITY DEPOSIT

(1) For Residential Customers, the amount of the security deposit shall not exceed the amount of that Customer's projected average of two (2) months' bills. If the Customer has been documented as having diverted service (meter bypass) from a utility, an additional amount may be assessed based on one (1) month's largest usage.

(2) For Non-Residential Customers, the security deposit shall not exceed the amount of that Customer's projected largest three (3) months' bills. If the Customer has been documented to be diverting service (meter bypass), an additional amount may be assessed based on one (1) month's largest usage.

(3) For purposes of establishing security deposits and projecting monthly bills, the Cooperative shall consider the length of time the Customer can reasonably be expected to take service, past consumption patterns, end use of service, and consumption patterns of other similar Customers.

(4) The amount of the security deposit may be adjusted if the character or volume of the Customer's service should change.

(5) Security deposits shall be non-transferable from one Customer to another. However, upon termination of the Customer's service at a service address, the Cooperative may transfer the security deposit to another of the Customer's active accounts.

C. SECURITY DEPOSIT RECEIPTS

The Cooperative shall maintain a record of all security deposits received from Customers showing the name of each Customer, the address of the premises for which the security deposit is maintained, the date and the amount of deposit, and the dates and amounts of interest paid.

D. REFUND OF SECURITY DEPOSIT AND ACCRUED INTEREST

(1) Upon termination of service, if the security deposit is not to be transferred to another account in the Customer's name, the Customer has allowed the

Cooperative to remove its meters and equipment, and the meter and equipment are in an undamaged condition, the Customer's deposit will be refunded, including simple interest at a rate not less than that provided by K.S.A. 12-822 and amendments thereto, less any unpaid electric service bills.

(2) Security deposits taken from Residential Customers who have made non-delinquent payments of undisputed electric service bills for the last twelve (12) months, and have no existing undisputed bill(s) unpaid after thirty (30) days beyond the due date, shall be either credited with simple interest, as provided above, against the Residential Customer's utility bill(s), or refunded. A security deposit need not be returned until all undisputed amounts are paid.

(3) Interest shall accrue on all Customers' security deposits and will be credited to the Customers' bills or refunded no less than once a year.

E. SECURITY DEPOSIT NOT A WAIVER

The fact that a security deposit has been made shall in no way relieve the Customer from complying with the Cooperative's Rules and Regulations pertaining to payment of bills, nor will it constitute a waiver or modification of the regular practices of the Cooperative providing for disconnection of service for non-payment of sums due the Cooperative for service rendered.

SECTION 4 – BILL PAYMENT

A. PAYMENT OF BILLS

All bills for electric service are due and payable upon receipt. Normally, bills will be sent electronically or by mail; however, the non-receipt of a bill by the Customer will not release or diminish the obligation of the Customer with respect to the full payment thereof, including penalties and interest.

B. CONTENTS OF BILL

(1) The Cooperative will normally bill each Customer each billing period in accordance with its applicable Rate Schedules. Billings may be issued monthly, or on another basis, at the sole discretion of the Board of Trustees. Each service bill issued to the Customer shall show:

- (a) The beginning and ending meter registration for the reading period, except estimated billings will disclose that it is based on estimated usage;
- (b) The date of the meter reading and the date of the bill;
- (c) The final date by which a payment can be received before a delinquency charge is imposed;
- (d) The actual or estimated usage during the billing period;
- (e) The amount due for prompt payment and the amount due after delinquency in payment;

- (f) The energy cost adjustment and the total amount of the adjustment due, if applicable;
- (g) The amount of additional charges due for past due accounts, security deposits, connection or disconnection, installment payments, and other utility charges authorized by the Board of Trustees;
- (h) The total amount due for the current billing period;
- (i) The amount due for franchise and sales taxes, and research and development surcharges stated separately; and
- (j) The address and telephone number of the Cooperative where the Customer may report a disputed bill; make an inquiry concerning a bill, delinquency, or termination of service; or otherwise express a concern.

(2) If the Customer makes a partial payment for the total bill, the Cooperative shall credit payment:

- (a) First to charges such as disconnection/reconnection fees;
- (b) Then to the balance outstanding for electric service beginning with the oldest service debt; and
- (c) Then to special charges as defined in subsection (5).

(3) If the Customer is paying in advance, each bill shall clearly disclose the overage or underage of the amounts paid to date as compared to the cumulative actual usage, in dollars, to date. Paying extra will create a credit balance on the Customer's account.

(4) The Customer's bill will also show any adjustment to previous billings based upon estimated usage or after actual usage has been determined by the Cooperative. The Customer's bill will also reflect adjustments and corrections for billing errors, whether resulting from wrong readings, wrong multipliers, or other factors that do not involve estimates. If the adjustment or correction shows a net balance due the Cooperative, the Customer will be given the opportunity, if requested, to pay the additional charges in equal installments over a period of time equal to the adjusted or corrected billing period. If a net balance is due to the Customer, the Customer will be given either a credit on subsequent bills or, if requested, a refund, if the overpayment exceeds ten dollars (\$10).

(5) The Cooperative may include on the bill for electric service special charges designated clearly and separately from charges for electric service. Special charges are those not authorized by tariff but assessed during the course of business, such as the sale of merchandise or services performed in connection therewith.

C. CONSUMER VACATIONS – METER REMOVALS

The Cooperative makes no provision for Customers requesting temporary vacation on meters. For meters that are disconnected by a Customer and the

same Customer requests reconnection within a one (1)-year period for the same location, the minimum monthly charge, as prescribed by the Rate Schedule for that location shall be assessed for the period of time the meter was disconnected and collected from the Customer prior to reconnection.

D. LINE RETENTION CHARGE

When the disconnection of a meter may result in the retirement of the service line to the Customer’s premises, the Customer may request the Cooperative disconnect the meter and impose a line retention charge in lieu of the line retirement. It shall be at the sole discretion of the Cooperative whether to grant such a request. Should a request be approved, a minimum monthly charge, as prescribed by the Rate Schedule for that location, shall be assessed and collected from the Customer for the period of time the meter shall be disconnected prior to reconnection or termination of the meter retention arrangement. Nothing herein shall limit the Cooperative’s ability to subsequently terminate, with or without cause, the line retention arrangement with the Customer and retire the service line. The line retention charge, as set forth herein, shall be available only for single-phase and three-phase services.

E. METER READING PERIODS

The Cooperative reserves the right to adopt cycle billing rather than monthly billing. There will be no meter reading periods. Kilowatts used at any time will be considered kilowatts sold, and the kilowatts will be billed to the Customer as soon as practicable after the meter reading is known by the Cooperative. Customers who want consistent bills for any reason may use the Cooperative’s existing Budget Payment Plan (see Section 4(J)).

F. ESTIMATED USAGE

(1) Other than a final bill, the Cooperative may render a bill, after service is discontinued, or an initial bill, based on estimated usage pursuant to estimating procedures approved by the Board of Trustees if the bill is rendered:

- (a) When extreme weather conditions, emergencies, work stoppages, or other circumstances beyond the Cooperative’s control prevent actual meter readings; or
- (b) When the Cooperative is unable to reasonably obtain access to the Customer’s premises for the purpose of reading the meter.

(2) The Cooperative may render a bill based on estimated usage as a Customer’s final or initial bill pursuant to estimating procedures when:

- (a) The Customer requests and any necessary adjustments are made to the bill upon a subsequent actual meter reading by the Cooperative;
- (b) An actual meter reading would not show actual Customer usage, but is used in estimating usage; or

(c) An actual meter reading cannot be taken because of a broken meter or other equipment failure.

(3) When the Cooperative renders an estimated bill in accordance with this Section, it will:

(a) Maintain accurate records of the reasons therefore and efforts made to secure an actual reading; and

(b) Make any appropriate adjustment upon subsequent reading of the meter.

G. CASH PAYMENT

The Cooperative may require the Customer to make payment of bills by cash, certified checks, or money orders. The Cooperative will give five (5) days' notice to the Customer whenever checks will no longer be accepted for payment of bills.

H. RETURNED CHECK CHARGE

The Cooperative may require a Returned Check Charge, as filed in the Service Fees Rate Schedule, from the Customer for any returned checks or bank drafts.

I. TAX ADJUSTMENT

(1) Special Taxes: When any city, county, state, or other taxing subdivision imposes a franchise, occupation, business sales, license, excise, privilege, or similar tax of any kind on the Cooperative, the amounts thereof, insofar as practicable, will be charged on a pro-rata basis to all Customers receiving electric service from the Cooperative within the boundaries of such taxing subdivision. This tax charge, in all cases, will be in addition to all other charges for electric service.

(2) Gross Receipts Tax: Where a tax is levied on a percentage of gross receipts, that percentage will be applied to each affected Customer's bill, and the amounts so computed will be added to each Customer's regular billing until such Customer's proportionate share of the total tax is paid. The pro-rata tax applicable to each Customer will be identified on the Customer's billing as such.

J. RESIDENTIAL BUDGET PAYMENT PLAN

(1) Availability: The Budget Payment Plan is, by mutual agreement between the Customer and the Cooperative, available to any qualifying Residential Customer.

(2) Estimated Bills: At the request of any qualifying Customer, the Cooperative will submit an estimated bill based on the average kilowatt-hour usage of the bills rendered for the current month and the preceding eleven (11) months or an estimated bill for electric service to be rendered during the contract period, which divided by the number of months in such contract period, will be the monthly installment.

(3) Conditions of Budget Payment Plan: The Customer will be entitled to receive electric service under the Budget Payment Plan provided the Customer will agree:

- (a) To pay each monthly installment on or before the due date thereof;
- (b) To pay the late payment charge established in these Rules and Regulations if a bill becomes delinquent;
- (c) That failure to pay any monthly installment on or before the delinquent date will be cause for termination by the Cooperative of the Customer's Budget Payment Plan with respect to the Customer, in addition to other remedies permitted by these Rules and Regulations or law;
- (d) That the estimate will apply only to the premises then occupied by the Customer and, if such premises is vacated during the period covered by said estimate, the Customer's Budget Payment Plan with respect to the Customer will immediately terminate;
- (e) That if the Budget Payment Plan is terminated, any amount or amounts owed by or due to the Customer for the period covered by the plan will be billed or credited at once;
- (f) That until terminated by either party, the Budget Payment Plan will be renewed automatically; and
- (g) That the Cooperative re-calculates the average bill each month based upon the most recent twelve (12) months of experience, and the average payment is thusly controlled while the balance due is allowed to fluctuate in either a debit or credit balance.

K. DELINQUENT BILLS (2% PENALTY)

- (1) Bills for electric service will be deemed delinquent unless payment in an amount no less than that assessed on the Customer's bill is received by the Cooperative, or by its authorized agent, on or before the due date stated on the bill.
- (2) When a bill becomes delinquent, a late payment charge in an amount equal to two percent (2%), but not to exceed twenty-five dollars (\$25), of the delinquent amount owed for electric service and charges shall be added to the Customer's bill and collection efforts by the Cooperative will be initiated.
- (3) If the last calendar day for remittance falls on a day when the Cooperative's office is not open to the general public, the final payment date will be extended through the next business day.

L. DEFAULT

Failure of the Customer to conform to these Rules and Regulations or to pay any amount due the Cooperative under the Customer's Electric Service

Agreement in the full amount due upon becoming delinquent shall constitute a default by the Customer in his Electric Service Agreement.

M. COLD WEATHER RULE

(1) The provisions of the Cold Weather Rule establish the disconnection procedures for any Residential Customer of the Cooperative throughout the cold weather period, which extends from November 15 through March 15.

(2) The Cooperative shall not disconnect the Customer's service between November 15 and March 15, when the local temperature is forecast to drop below 32 degrees within the following 24-hour period unless:

- (a) It is at the Customer's request;
- (b) The service is abandoned;
- (c) A dangerous or unsafe condition exists on the Customer's premises;
- (d) The Customer violates any rule of the Cooperative that may adversely affect the safety of persons or property, including the physical integrity of the Cooperative's delivery system; or
- (e) The Customer causes or permits the unauthorized interference with, diversion, or use of (meter bypass) the Cooperative's electric service situated or delivered on or about the Customer's premises.

In any of these situations, the Cooperative may disconnect the electric service immediately. Electric service disconnected under (c), (d), or (e) above may be restored, as soon as possible, after the physical problem(s) as defined in (c), (d), and (e) above have been corrected and all applicable fees, costs, and security deposits have been paid.

(3) Responsibilities of the Cooperative: The Cooperative will send one (1) written notice mailed first class at least five (5) days prior to termination of service. A Customer may not be disconnected until a 24-hour forecast above the activating temperature is predicted.

On the day of disconnection, the Cooperative must receive a 24-hour forecast above the activating temperature. If the temperature is then forecast to be below the activating temperature, the disconnection may not be carried out. Instead, the Cooperative must wait for another 24-hour forecast above the activating temperature, but further notice to the Customer will not be required.

The Cooperative will, in the five (5)-day written notice, also inform the Customer of the existence of the Cold Weather Rule and that the Customer can avoid disconnection by bringing the Customer's electric bill current.

SECTION 5 – DISCONTINUANCE OF SERVICE

A. COOPERATIVE’S REFUSAL OR DISCONTINUANCE OF SERVICE

(1) For the following reasons electric service may be refused or discontinued by the Cooperative:

- (a) When requested by the Customer;
- (b) When the service is abandoned;
- (c) Upon five (5) days’ written notice, when the Customer’s bill for electric service or other charges has become delinquent, as provided in Section 4(K);
- (d) Immediately, when an unsafe or dangerous condition exists on the Customer’s premises;
- (e) Upon five (5) days’ written notice, the Customer fails to provide or increase a security deposit;
- (f) The Customer has a previous undisputed and unpaid separate account for electric service with the Cooperative deemed delinquent pursuant to Section 4(K);
- (g) Immediately, when the Customer is proved to have misrepresented his identity, address, or other pertinent credit information for the purpose of obtaining electric service;
- (h) Immediately, when the Customer refuses to grant the Cooperative personnel access to equipment installed upon the premises of the Customer for the purpose of inspection, meter reading, maintenance, or replacement;
- (i) Immediately, when the Customer violates any rule of the Cooperative that may adversely affect the safety of persons or property, including the physical integrity of the Cooperative’s delivery system; or
- (j) Immediately, when the Customer causes or permits unauthorized interference with, diversion, or use of (meter bypass) the Cooperative’s electric service situated or delivered on or about the Customer’s premises.

(2) None of the following reasons will constitute sufficient cause for the Cooperative to discontinue electric service, refuse service, or threaten the discontinuance or refusal of service:

- (a) The Customer’s failure to pay for service received at a concurrent and separate metering point, residence, or location if there exists a legitimate, good faith dispute as to the validity of such bill;
- (b) The Customer’s failure to pay for a different class of service received at the same location if there exists a legitimate, good faith dispute as to the validity of such bill. The placing of more than one (1) meter at the same location for the purpose of billing the usage of

specific devices under optional Rate Schedules or provisions is not construed as a different class of service for the purpose of this rule; or
(c) The Customer's failure to pay a bill that is in dispute; provided, however, the Customer paid that portion of the bill not in dispute;
(d) Because an individual who neither signed the Electric Service Agreement on an account in arrears nor otherwise agreed at the time electric service was established to be responsible for it wants to put the account in his name. The only exception to this is when the individual and the Customer of record lived together when the debt was incurred or continue to live together.

B. TRANSFER OF ACCOUNT BALANCE

In the event of discontinuance of electric service at a separate metering point, residence, or location in accordance with these Rules and Regulations, the Cooperative may transfer any unpaid balance to any other electric service account of the same Customer. In the event the Customer fails to pay a final bill at any metering point, residence, or location, the Cooperative may transfer such unpaid balance to any successive service account opened by the Customer for the same class of service, and may discontinue service at such successive metering point, residence, or location for non-payment of such transferred account.

C. NOTICE REQUIREMENTS

When notice of discontinuance of service is required it will be forwarded separate from other utility bills, information, or advertising to the account name and address. Service of notice by mail is complete upon mailing. The Cooperative will maintain the record of the date of mailing and the effective dates of the notice. The notice will be effective for two (2) months after the initial date upon which, and after which, service can be disconnected. Notice may be given by such other method as may be practical, such as hand-delivery, e-mail, or facsimile.

D. DISCONNECT PROCEDURE

Except for discontinuance pursuant to Section 5(A)(1)(a), (b), (d), (i), and (j), the Cooperative will not discontinue service unless:

- (1) On the full work day following discontinuance, the Cooperative office or authorized personnel identified in the notice given are open or available to the Customer for the purpose of making pay arrangements, preventing discontinuance, or obtaining reconnection; and
- (2) If contact with the Customer is not made, the Cooperative may, at its discretion, leave a message upon the premises.

E. RESTORATION OF SERVICE

(1) Upon the Customer's request, the Cooperative will restore service promptly when the cause of discontinuance of service has been eliminated, all applicable charges have been paid, and, if required, satisfactory credit arrangements have been made, including but not limited to a security deposit.

(2) The Cooperative will make every effort to restore service on the restoration day requested, except service will not be restored at any hour that requires overtime payment to the employee restoring service.

(3) Restoration will require prior payment by the Customer. Employees sent for disconnect or reconnect purposes will not be allowed to accept payments.

(4) Any Disconnection or Reconnection Charges, as described in Section 5(F), and all other utility charges due, will be paid before service is restored. These charges are in addition to any security deposit that may be required by the Cooperative before service is restored.

F. COLLECTION, DISCONNECTION, AND RECONNECTION CHARGES

(1) Except when requested by the Customer, if electric service is disconnected for any of the reasons stated in Section 5(A)(1), the Cooperative will require a Disconnection Charge as filed in the Service Fees Rate Schedule.

(2) Upon reconnection of electric service, the Cooperative will require a Reconnection Charge as filed in the Service Fees Rate Schedule.

(3) Unless otherwise specified in the Electric Service Agreement, in the event a Customer orders a disconnection and a reconnection of service at the same premises within the contract period, the Cooperative will collect, as a Reconnection Charge, the sum of such minimum bills as would have occurred during the period of disconnection, but in no event less than the Reconnection Charge filed in the Service Fees Rate Schedule.

(4) To the extent permitted by law, costs of collection, including attorney's fees and collection agency fees, shall be assessed to the Customer.

SECTION 6 – CUSTOMER'S SERVICE OBLIGATIONS

A. CUSTOMER TO FURNISH RIGHT-OF-WAY

The Customer shall provide or procure for the Cooperative, at the Customer's expense, all rights-of-way and easements that are necessary or incidental to the supplying of electric service as are satisfactory to the Cooperative for the construction, operation, and maintenance of its facilities and equipment. New line extension construction shall be scheduled to commence a reasonable time after the Customer has cleared all trees and obstructions, at his own expense, from the proposed right-of-way or easement. Provision of right-of-way and easement will include, among other things, the obligation to refrain from encroaching on the right-of-way or easement with such hazards as trees and

structures. Customers taking service from the Cooperative automatically grant it permission to, without notice, remove trees and other hazards from the right-of-way.

B. ACCESS TO CUSTOMER'S PREMISES

The Customer shall give the duly authorized agents and employees of the Cooperative full and free access to the premises of the Customer for the purpose of constructing, installing, inspecting, adjusting, repairing, maintaining, replacing, or removing any of the Cooperative's facilities on the premises of the Customer, reading meters, or for any purpose incidental to the electric service supplied by the Cooperative.

C. CUSTOMER'S INSTALLATION

(1) Service entrances, switch boxes, service cabinets, switches, fuse blocks, conduit, wiring, connections, and other equipment, and the installation thereof for the reception, use, and control of electric energy by the Customer shall be of the type approved by the Cooperative and shall comply with the requirements of the National Electric Safety Code and all applicable state and local codes.

(2) Any and all wiring, appliances, or equipment required to transform, control, regulate, or utilize beyond the point of delivery the electric service supplied by the Cooperative that are furnished, installed, and maintained by the Customer shall be the sole responsibility of the Customer.

(3) The Customer agrees to repair, and replace when necessary, all wires and appurtenances furnished by the Customer for reception and use of electric service in a safe condition and in compliance with the National Electrical Safety Code and all applicable state and municipal codes.

D. PROTECTION OF CUSTOMER'S EQUIPMENT

(1) The Customer shall be responsible for determining whether the Customer's installation, and all portions thereof, are and will be suitable for operation at the voltage, phase, and other characteristics of the class of service to be supplied by the Cooperative.

(2) The protection of the Customer's equipment is the full responsibility of the Customer. The Customer shall supply over-current protection in the form of fuses or circuit breakers on his side of the meter. Any Customer desiring protection against interruptions, phase failure, phase reversal, voltage variations, or other temporary irregularities or failure of part or all of the electric service should, at such Customer's own expense, furnish, install, and maintain appropriate protective equipment.

E. DANGEROUS OR DISTURBING USES

(1) The Customer shall use the electric service supplied by the Cooperative with due regard to the effect of such use on the Cooperative's electric service to its

other Customers and on the facilities and equipment of the Cooperative. The Cooperative may refuse to supply or discontinue electric service to the Customer, immediately and without notice, under Section 5(A)(1), if the Customer's installation is in an unsafe or dangerous condition or is so designed or operated as to disturb or adversely affect the safety of the Customer, other persons, or property, including the integrity of the Cooperative's delivery system.

(2) Where the Cooperative determines the character of the load may cause momentary voltage variations, such as motor startup, special equipment shall be furnished and installed at the Customer's expense. Such equipment shall be installed prior to the Cooperative delivering service. Should the voltage dip frequency fall within the objectionable range at any time during service, the Cooperative may discontinue service until the Customer makes all necessary corrections. Calculations of voltage dip and percent flicker are obtained using IEEE Std. 241-1990, as amended.

F. INSPECTIONS AND RECOMMENDATIONS

No inspection or recommendation made by the Cooperative to the Customer regarding the Customer's use of the electric service supplied by the Cooperative shall in any way release the Customer from any responsibility or liability on his part to fulfill any obligation, duty, or standard of care, nor shall it make, directly or indirectly, the Cooperative liable or responsible for having assumed or failed to meet any obligation, duty, or standard of care on behalf of the Customer. Any inspection or recommendation made by the Cooperative shall be done only as a courtesy to the Customer or as a protection to the electric service supplied by the Cooperative to its other Customers. The Cooperative reserves the right, but assumes no obligation, duty, or standard of care, to inspect the Customer's installation and facilities for suspected unsafe conditions.

G. DEFECTIVE CUSTOMER APPLIANCES OR EQUIPMENT

Defective appliances or fixtures shall be disconnected at once and properly repaired before further use. Defective appliances or fixtures include those that have been found by tests to cause interference to radio, television, and like electronic equipment used by others. If electric energy is found to be escaping from any wires or equipment in or about the Customer's premises, the Customer shall open the service switch immediately to shut off the flow of electric energy and immediately notify the Cooperative.

H. CONSTRUCTION OR USES AFFECTING COOPERATIVE'S EQUIPMENT

The Customer shall consult with the Cooperative before causing or permitting any construction that will affect any of the Cooperative's service facilities or equipment. The Customer shall not, without written consent from the

Cooperative, enclose any exposed portion of the service facilities; use any of the poles, wires, structures, or other facilities of the Cooperative for any purpose whatsoever; nor shall the Customer locate anything in such proximity to the Cooperative's service facilities or equipment as to cause, or be likely to cause, interference with the supply of electric service or a dangerous condition. The Customer shall be required to reimburse the Cooperative for any costs due to a change in the location of meters, service lines, or other equipment made at the Customer's request or necessitated by the Customer's interference with the Cooperative's service facilities. The Cooperative reserves the right to remove, immediately and without notice, any unauthorized attachments to its facilities. The Cooperative's service facilities and equipment will be removed or relocated only by employees, agents, or authorized representatives of the Cooperative. Any infraction of this rule shall be sufficient cause for discontinuance of service under Section 5(A)(1).

I. PROTECTION OF COOPERATIVE'S PROPERTY

(1) The Customer at all times shall protect the property of the Cooperative on the premises of the Customer and shall permit no person other than the employees, representatives, or agents of the Cooperative or persons authorized by law to inspect, work on, open, or otherwise handle the wires, meters, or other service facilities and equipment of the Cooperative. Any infraction of this rule shall be considered sufficient cause for discontinuance of service, immediately and without notice under Section 5(A)(1).

(2) In case of loss or damage to the property of the Cooperative on account of any carelessness, negligence, tampering, or misuse by the Customer, any member of his family, his agents, or his employees, the Customer shall reimburse the Cooperative for the cost of any repairs or replacement of such electric service facilities or equipment, either necessary or incidental.

J. TAMPERING OR FRAUDULENT USE OF COOPERATIVE'S FACILITIES

(1) The Cooperative may discontinue service to a Customer under Section 5(A)(1) and remove its facilities or equipment from the Customer's premises if evidence is found that any portion of the Cooperative's facilities or equipment have been tampered with in such a manner that the Customer may have received un-metered service or fraudulently used electric service in any manner, including fraudulent meter reading.

(2) In such event, the Cooperative may seek and recover such damages and penalties permitted by law, including provisions of K.S.A. 66-1601, et seq., before electric service is restored. In addition, the Cooperative shall require the Customer to:

- (a) Pay all bills, including a bill for such amount of electric service as the Cooperative may estimate from any available information to have

been used but not registered by the Cooperative's meter or otherwise fraudulently used;

(b) Increase the amount of his security deposit;

(c) Pay for all damages to Cooperative-owned facilities and equipment, if any; and

(d) Pay all costs incurred by the Cooperative for such protective equipment as, in the sole judgment of the Cooperative, may be necessary to give satisfactory assurance that such tampering and fraudulent use of electric service will be discontinued.

(3) The existence of tampered connections, meters, or devices which operate to cause diversion or fraudulent use of electric service shall be taken as prima facie evidence of diversion of electric service by the Customer.

K. INDEMNITY TO COOPERATIVE

(1) The Customer shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs, or expenses arising from or related to, either directly or indirectly, loss, damage, injury to persons or property, or death, connected with or growing out of, the distribution or use of electric service by the Customer at or on the Customer's side of the point of delivery.

(2) The Customer shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs, or expenses for trespass, injury to persons, or damage to lawns, trees, shrubs, buildings, or other property that may be caused by reason of, or related to, the installation, maintenance, or replacement of the Cooperative's service lines or other necessary appurtenances to serve the Customer, unless the injury to persons or damage to property has been caused by a willful and intentional act on the part of the Cooperative.

L. CUSTOMER GENERATION

No Customer shall operate or permit operation of electric generating equipment in parallel with electric service supplied by the Cooperative, except as may be permitted under a special Electric Service Agreement. Any infraction of this rule shall be sufficient cause for discontinuance under Section 5(A)(1). Every Customer who places his own emergency electricity generator in service must have a double throw switch to isolate his generator from the Cooperative's power lines.

M. CHARGES FOR WORK COMPLETED ON CUSTOMER'S PREMISES

The Cooperative shall charge for all materials furnished and for all work done on the Customer's premises beyond the equipment owned and installed by the Cooperative, for trouble calls not occasioned by negligence on the part of the Cooperative, for repair of yard lights, and any other work or service requested and authorized by the Customer. The limited items handled by the

Cooperative, and the charges therefore, shall be based upon the Cooperative's existing schedule for such work. The Cooperative shall not charge for replacement or repair of equipment furnished and owned by the Cooperative on the Customer's premises except when the repairs or replacement are caused by the negligence or misuse of the Customer or the Customer's agents. (See also Section 7(F))

SECTION 7 – COOPERATIVE'S SERVICE OBLIGATIONS

A. OVERHEAD SERVICE INSTALLATION

(1) Installation of Service Wires to Poles. The Cooperative shall install overhead service wires from the distribution pole line to a pole located on or adjacent to the Customer's property. The Cooperative shall designate the point at which the pole will be located, and overhead service wires shall be brought to the pole for attachment to the Customer's entrance wires. The Cooperative shall furnish the pole and the meter equipment in accordance with the Cooperative's standards for the installation of meter loops, meter receptacles, meters, and related appurtenances. All service entrance wires and appurtenances beyond the meter equipment shall be supplied and maintained by the Customer.

(2) Installation of Service Wires to Structures. The Cooperative shall furnish a meter pole or pedestal, but will not install meter equipment on structures, which includes but is not limited to a home or building, owned by the Customer. The Cooperative recognizes meter equipment has been previously installed on structures, but the Cooperative shall eliminate, on a prospective basis, the practice of providing overhead electric service to a Customer by the installation of meter equipment on a structure.

B. UNDERGROUND SERVICE INSTALLATION

(1) The Cooperative shall determine those areas where underground electric facilities shall be furnished.

(2) A Customer desiring existing overhead electric facilities to be replaced by underground facilities shall pay for the total cost of the conversion and underground facilities less material salvage, if any.

(3) If the Customer desires underground electric facilities be installed where the Cooperative has determined overhead facilities should be used, the Cooperative, in its sole discretion, may install underground service provided the Customer bears, in advance, the full amount of the estimated cost of underground service facilities in excess of the cost of standard overhead facilities.

(4) Any Customer desiring underground service to his building shall furnish and install, at his own expense, the necessary conduit, master breaker or main fuse disconnects, underground wires and appurtenances at the point of delivery

located on or adjacent to the Customer's premises, as well as all wires and appurtenances to be installed beyond the point of delivery.

(5) Where underground service is installed, the Cooperative shall furnish the pole, or pedestal, and the meter equipment in accordance with the Cooperative's standards for the installation of meter loops, meter receptacles, meters, and related appurtenances. All service entrance wires and appurtenances beyond the meter equipment shall be supplied and maintained by the Customer.

C. ENERGIZING BY COOPERATIVE ONLY

Only the Cooperative's authorized agents, representatives, and employees shall be permitted to energize the Cooperative's facilities. Any infraction of this rule shall be sufficient cause for discontinuance of service under Section 5(A)(1).

D. DELIVERY OF ELECTRIC SERVICE

(1) The obligation of the Cooperative to supply electric service shall be completed by the supplying of such electric service at the Customer's point of delivery. The Cooperative's responsibility for the quality of service and operation of its facilities ends at the point of delivery.

(2) The point of delivery, at which electric energy is furnished to the Customer, shall be the meter pole, or pedestal in the case of underground service, and the meter equipment for purposes of identifying the facilities owned by the Cooperative and the facilities owned by the Customer. The Customer shall be responsible for receiving electric service at the meter pole, or pedestal, and the Customer shall be responsible for owning the facilities necessary to take the electric service from the meter to the Customer's structure(s). The point of delivery shall be located to meet accepted engineering standards and procedures while taking the Customer's needs into consideration.

(3) If the meter equipment has been previously installed on a structure, as referenced in Section 7(A)(2), the point of delivery at which electric energy is furnished to the Customer shall be where the Cooperative's overhead service wire meets the down loop, or service loop. The Customer shall be responsible for receiving electric service at the down loop, and the Customer shall be responsible for owning the down loop and the facilities necessary to take the electric service from the down loop to the Customer's structure(s); except the meter equipment, attached to the structure and connected to the Customer's down loop facilities, shall remain the Cooperative's property and responsibility. The Customer's down loop and down loop facilities shall meet accepted engineering standards and procedures.

(4) The Cooperative will not be liable for any loss, damage, or injury whatsoever caused by leakage, escape, or loss of electric energy after it has

passed the point of delivery, nor for defects in the Customer's wiring, appliances, or equipment.

(5) The Cooperative shall be required only to furnish, install, and maintain one (1) connection from its distribution facilities, service conductors from such connection to the Customer's point of delivery, and one (1) meter installation to measure such electric service to the Customer for each class of service.

(6) The Cooperative shall not be obligated to supply electric wiring service to the Customer for any portion of the electrical requirements on the Customer's premises beyond the point of delivery.

E. PROPERTY OF THE COOPERATIVE

All facilities and equipment furnished and installed by the Cooperative on the Customer's premises for the supply of electric service to the Customer shall be and remain the exclusive property of the Cooperative. All facilities on the premises of the Customer that are or become the property of the Cooperative shall be operated and maintained by and at the expense of the Cooperative, may be replaced by the Cooperative at any time, and may be removed by the Cooperative upon termination of the Customer's Electric Service Agreement or upon discontinuance by the Cooperative of electric service to the Customer for any reason.

F. CONTINUITY OF SERVICE

The Cooperative will use reasonable diligence to supply continuous electric service, but it does not guarantee the supply of electric service against irregularities or interruptions. The Cooperative shall not be considered in default of its Electric Service Agreement with the Customer and shall not otherwise be liable for any damages occasioned by any irregularity or interruption of electric service. The Cooperative shall not be considered in default of its Electric Service Agreement and shall not be liable for any failure of the Cooperative to perform any obligation if such failure to perform is caused by delivery delay, breakdown, or failure of or damage to facilities; an electric disturbance originating on or transmitted through electric systems with which the Cooperative's system is interconnected; an act of God or public enemy; a strike or other labor disturbance involving the Cooperative or the Customer; civil, military or governmental authority; or any cause beyond the control of the Cooperative.

Electric service OUTAGES can be reported and will be worked twenty-four (24) hours per day, every day of the year, by calling 1-888-297-9212. No service charges will apply for any repair to facilities owned by the Cooperative, except charges may occasionally apply to individuals who actually cause damage or interruption to the Cooperative's facilities.

Charges shall be made for repairs to equipment owned by the Customer on the Customer's side of the meter. Rates and prices for such service calls are set forth in price lists, which are modified from time to time by the Board of Trustees. These prices include trip charges to be applied if an outage is reported and it is found to be on the Customer's side of the meter. Trip charges for such "false alarms" reflect compensation for extra cost such as employee overtime after hours and for employee double time Sundays and holidays.

G. CURTAILMENT, INTERRUPTION, OR SUSPENSION OF SERVICE

The Cooperative shall have the right to curtail, including voltage reduction, interrupt, or suspend electric service to the Customer as may be necessary, without notice, for the inspection, maintenance, alteration, change, replacement, or repair of electric facilities; for the preservation or restoration of its system operations, or the operations on the part of any interconnected electric systems; or as directed by any federal, state, or municipal authority.

H. RESTORATION OF SERVICE AND LIABILITY OF COOPERATIVE

(1) In all cases of curtailment, irregularity, interruption, or suspension of service, the Cooperative will make every reasonable effort to restore service without unnecessary delay. The Cooperative, at its sole discretion, may resolve labor disturbances affecting the Cooperative or involving employees of the Cooperative.

(2) The Cooperative shall not be considered liable for or in default of the Electric Service Agreement with the Customer for any damage occasioned by any curtailment, irregularity, interruption, or suspension of electric service. The Customer shall not be relieved from charges provided for in the Electric Service Agreement and Rate Schedules because of curtailment, irregularity, interruption, or suspension of electric service.

(3) The Cooperative shall not be considered liable for or in default of the Electric Service Agreement with the Customer for any failure by the Cooperative to perform any obligation or duty if prevented from fulfilling such obligation or duty by reason of any delivery delay; breakdown or failure of or damage to facilities; an electric disturbance originating on or transmitted through electrical systems with which the Cooperative's system is interconnected; an act of God or public enemy; strike or other labor disturbance involving the Cooperative or the Customer; civil, military, or governmental authority; or any cause beyond the control of the Cooperative.

SECTION 8 – LINE EXTENSION POLICY

A. SINGLE-PHASE LINE FOR RESIDENTIAL SERVICE

(1) The Cooperative will build the first one-tenth (1/10) mile and the last one-tenth (1/10) mile of single-phase line per Residential Customer under its

established Rate Schedules. In the event the line extension exceeds one-fifth (1/5) mile per Residential Customer, the Customer shall be responsible for the remainder of the line extension cost. The Customer may either pay for the cost in advance or pay a monthly line extension charge in the amount of one-sixtieth (1/60) of the construction cost of the intermediate line over sixty (60) months, without any interest assessed by the Cooperative. As evidence that the Customer accepts service under the terms of this line extension charge policy, the Customer shall be required to sign an Electric Service Agreement guaranteeing the monthly line extension charge for a period of no greater than five (5) years.

(2) In the event the line extension to a Residential Customer is less than one-fifth (1/5) mile, the Cooperative may require, at its sole discretion, a construction deposit for assurance that a residence will actually be constructed and occupied. Such construction deposit will be in an amount equal to the Cooperative's estimated line extension construction costs.

(a) If a home is completed and occupied within two (2) years from the completion of the line extension, the construction deposit will be returned to the Customer.

(b) If a home is not constructed and occupied within two (2) years from the completion of the line extension, the construction deposit will become the property of the Cooperative in order to compensate it for the line extension construction costs.

(c) If the Customer represented to the Cooperative that a residence would be built and was not required to make a construction deposit, but the Customer did not start the home construction within one (1) year, the Customer shall be obligated to pay the full line extension charge. Said line extension charge may be paid on an interest-free payment plan over a sixty (60)-month period. If the Customer fails to meet the obligations of the payment plan, the meter may be removed at the Customer's expense and the account turned over to collection.

(3) The costs determined in accordance with this Section shall be prorated on an equal basis between all Customers that are initially or subsequently served by the same line extension within the remaining contract period or, if such costs would be paid in advance, within a five (5)-year period from the completion of construction. However, the Customer must bring it to the Cooperative's attention.

B. NON-RESIDENTIAL LINE AND SERVICE

Whenever the Cooperative extends a line, or converts an existing line, to furnish service to any Non-Residential Customer, the Non-Residential Customer shall be required to make a cash deposit in advance of constructing such service improvements. If at any time within thirty-six (36) months from the

completion of the construction an existing or subsequent Customer that, in the sole judgment of the Cooperative, is deemed to be a competitor of the Non-Residential Customer making the deposit would be served by the service improvements, the competitor must pay a prorated amount of the construction cost on an equal basis prior to being given access to the service improvements. The contribution of the competitor shall be refunded to the requesting Customer. However, the Customer must bring it to the Cooperative's attention.

C. CONTRIBUTION BY DEVELOPER

In the event a developer or owner of a housing or building development requests the Cooperative construct a distribution system therein in advance of the completion of a substantial number of the houses or buildings, the Cooperative may require a cash contribution from the developer or owner in a sufficient amount to cover the cost of the Cooperative's distribution system. The contribution shall be refunded to the developer or owner, proportionately, as additional houses or buildings are built, occupied, and connected to the distribution system during the succeeding five (5) years after the distribution system is constructed for the development.

SECTION 9 – METERING

A. METERING OF SERVICE

The Cooperative will furnish and install at its expense all meters and meter pedestals in accordance with the Cooperative's standards for the installation of meter loops, meter receptacles, meters, and related appurtenances.

B. SEPARATE METERING

Where the Cooperative's Rate Schedules provide for separate metering of different classes of service, the Customer's wiring shall be so arranged that each class of service can be metered separately. Not more than one (1) set of service wires will be run to one (1) building or premises for each class of service furnished to the Customer.

C. MULTI-METERING INSTALLATIONS

The Cooperative shall eliminate, on a prospective basis, the practice of providing electric service to more than one (1) Customer in a Multiple Residential Complex through a single metering point. Separate applications for electric service will be made and separate meters will be installed for each dwelling unit within a Multiple Residential Complex. Each meter will be connected to one (1) set of service wires if such service wires are of sufficient size to supply a proper amount of electric service to each dwelling unit. The Customer's wiring shall be so arranged as to permit the installation of the Cooperative's meters immediately adjacent to each other.

D. CHANGES IN METERING, FACILITIES, OR EQUIPMENT

(1) The Cooperative may, at its expense and discretion, make changes to the Cooperative's meter loops, meter receptacles, meters, and related appurtenances on the Customer's premises that are required to meet the Customer's reasonable and identifiable increase in demand for electric service. Upon the request of the Customer, and at his expense, the Cooperative shall attempt to accommodate the Customer by making the requested changes to the Cooperative's meter loops, meter receptacles, meters, and related appurtenances on the Customer's premises.

(2) Changes requested by the Cooperative that require, in the Cooperative's sole judgment, the replacement or relocation of the Cooperative's service wires, metering equipment, yard poles, or similar appurtenances, or require replacement or relocation of the Customer's entrance wires, entrance switches, or similar appurtenances shall be provided at the Cooperative's expense.

(3) Changes requested by the Customer that require, in the Cooperative's sole judgment, the replacement or relocation of the Cooperative's service wires, metering equipment, yard poles, guys and anchors, or similar appurtenances shall be provided at the Customer's expense.

E. METER SEALS

The Cooperative shall place seals on all meters or meter enclosures. Such seals shall not be broken or disturbed by anyone, unless authorized by the Cooperative. Any Customer found to have a broken meter seal shall be assessed a Broken Seal Charge as set in the Service Fees Rate Schedule contained herein.

F. METER ACCURACY AND TESTING

Whenever any test by the Cooperative of a meter, while in service or on its removal from service, indicates such meter to have an average error of more than two percent (2%) fast or two percent (2%) slow, the following provisions for the adjustment of the electric service bill shall be observed:

(1) The error found shall be considered to have existed for not more than six (6) months preceding the test, for the time the meter has been in service at the location if less than six (6) months, or from the actual time the meter became damaged if such time can be positively determined and is less than six (6) months preceding the test.

(2) If the meter is found to be faster than allowable, the Cooperative shall refund to the Customer any overcharge caused thereby during the period of inaccuracy of the meter as defined above. The actual error of the meter, not the difference between the allowable error and the error of the meter as found, shall be used as the basis for calculating the refund.

(3) If the meter is found to under-register, the Cooperative may render a bill to the Customer for the estimated consumption not covered by bills previously rendered during the period of inaccuracy as defined in the preceding paragraphs. Such action may be taken, however, in cases where the bill for estimated inaccuracy amounts to one dollar (\$1.00) or more. In no case shall the Cooperative render a bill for under-registration where the meter has been found to be slow, unless the particular meter has been tested in conformity with this section.

(4) In the case of a non-registering meter, the Cooperative shall render a bill for estimated consumption extending over the actual time the meter was non-registering, if such time can be positively determined, but in no case more than eighteen (18) months' use.

G. SPECIAL METER TESTS

In the event the Customer requests the Cooperative to test a meter, the Customer shall deposit with the Cooperative a Meter Test Fee as filed in the Service Fees Rate Schedule. If the meter is found to be within the accuracy limits established, as referenced in Section 9(F), the entire Meter Test Fee will be retained in order to help defray the Cooperative's expense in testing the meter. In all other cases, the Meter Test Fee shall be refunded to the Customer.

Corrections for any inaccuracy resulting from wrong readings, wrong multipliers, or any other factors based on known quantities that do not involve estimates shall be made for a period not exceeding thirty-six (36) months prior to the date the error is determined. Adjustments based upon estimated usage shall be to the last correct meter reading by the Cooperative or eighteen (18) months, whichever time period is shorter. The Cooperative may make arrangements for the payment of billing errors contained within this subsection, subject to such terms and conditions as may be approved by the CEO.

SECTION 10 – GENERAL CLAUSES

A. WAIVER

Waiver by the Cooperative with respect to any default by a Customer in complying with the provisions of the Electric Service Agreement or these Rules and Regulations shall not be deemed to be a waiver with respect to any other or subsequent default by such Customer.

B. LEGAL NOTICES BETWEEN CUSTOMER AND COOPERATIVE

Unless otherwise specifically provided for in these Rules and Regulations, all notices addressed to the Cooperative shall be in writing. NO telephone or in-person communication shall be considered proper notice. If an agent, representative, or employee of the Cooperative takes non-written requests or

orders from a Customer, it is done for the convenience of the Customer and at his risk. The Cooperative is not responsible for error, delay, or expense resulting from such procedure, but the Cooperative shall exercise reasonable diligence in carrying out non-written communications from the Customer.

C. AUTHORITY AND WAIVER

The requirements contained in these Rules and Regulations may be waived in individual cases by the Board of Trustees of the Cooperative upon written request by the Customer and a showing that compliance with the requirement would serve neither the interests of the Cooperative nor the Customer. No representative, agent, or employee of the Cooperative shall otherwise have the authority to amend, modify, alter, or waive any of the Cooperative's Rules and Regulations or bind the Cooperative by promises or representations.

D. REQUEST FOR INVESTIGATION OR COMPLAINT

If the Customer feels that service is not adequate and sufficient, the Cooperative should first be advised, as soon as possible, of the nature of the complaint so the proper investigation may be conducted. The Department Head in charge of the service in question shall make an investigation of the complaint and attempt to resolve the matter. If a resolution is not possible, the Customer shall have a right to appeal it to the General Manager of the Cooperative. If the General Manager cannot resolve the complaint, the Customer may make a written application for a hearing before the Board of Trustees or its authorized representative. The Board may schedule a hearing at which the Customer may appear either in person or through counsel to explain the nature of the Customer's complaint to the Board of Trustees. The Board of Trustees may consider what, if any, action should be taken on the Customer's complaint.

SERVICE FEES RATE SCHEDULE

The Cooperative, in accordance with the provisions of the Rules and Regulations, shall collect the following schedule of fees and charges.

1. Temporary Service Minimum Fee - \$500.00
2. Returned Check Charge – a charge not exceeding \$30.00, the maximum provided by K.S.A. 21-3707.
3. Collection Charge - \$30.00
4. Disconnection Charge - \$30.00
5. Reconnection Charge - \$30.00
6. Meter Test Fee - \$30.00
7. Broken Seal Charge - \$100.00

NONDISCRIMINATION STATEMENT

The Ark Valley Electric Cooperative Association, Inc., is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410; by fax (202) 690-7442; or email at program.intake@usda.gov.



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