

RULES AND REGULATIONS FOR ELECTRIC SERVICE

These Rules and Regulations are part of the Electric Service Agreement between Western Cooperative Electric Association, Inc. and the member. These Rules and Regulations are applicable to the territory served. The Rules and Regulations are subject to change from time to time, and upon approval by Western Cooperative Electric's Board of Trustees, become effective and binding without any further notice.

We desire consistency between these Rules and Regulations and more specific provisions in the rate schedules. If there should appear to be any such inconsistency, the more specific provisions in the rate schedules shall prevail. Copies of the Rules and Regulations may be viewed or obtained by any member at the Company's principal place of business or on the Company's website at www.westerncoop.com.

Effective June 15, 2023

By Tom Ruth General Manager

Attested Richard Schaus, Western Cooperative Electric Board of Trustees

By Rauful Schour Secretary

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GENERAL

The following rules and regulations have been approved by Western Cooperative Electric's Board of Trustees, as a part of the tariffs of Western Cooperative Electric, hereafter known as "the Cooperative," and set forth the terms and conditions under which electric service is supplied and governs all classes of service in the territory served. They are subject to termination, change, or modification, in whole or in part, at any time as approved by the Cooperative's Board of Trustees. Service furnished by the Cooperative is also subject to the Rules and Regulations and the National Electrical Safety Code.

Copies of the Cooperative's Rules and Regulations are available for any member to view or obtain online at <u>https://www.westerncoop.com/</u> or the Cooperative's principal place of business, 635 S. 13th St., WaKeeney, KS.

No agent, representative, or employee of the Cooperative shall have authority to waive or modify the Rules and Regulations as stated herein. Still, the Cooperative shall have the right to amend or abolish any of these rules or to make such additional rules as it may deem necessary from time to time subject to the approval of the Board of Trustees.

The member is requested to notify the office of the Cooperative of any insufficiency of supply or unsatisfactory service.

A benefit of service is derived from the use of electric service. Accepting electric service constitutes an agreement under which the member receives electric service and agrees to pay the Cooperative according to the applicable rate schedules and Rules and Regulations. Each person of legal age who resides at the premises to which service is delivered shall be deemed to receive the benefit of service supplied and shall be liable to the Cooperative for payment, subject to conditions hereinafter stated, whether service is listed in his/her name. The primary obligor for payment is the member of record with the Cooperative is obligated to pursue reasonable and timely efforts to effect payment by or collections from applicant or member of record.

DEFINITION OF TERMS

"Agricultural Service" as used herein is limited to the cultivation, production, or processing of crops. It does not include livestock feeding, livestock processing, or associated feed processing classified as industrial service.

"Avoided Costs" means the incremental marginal cost of electrical energy and/or capacity, which, but for the purchase of such energy and capacity from a Qualifying Facility, the cooperative would generate itself or purchase from another source.

"Board" means the Board of Trustees of the Western Cooperative Electric Association, Inc.

"Commission" is used to designate the Kansas Corporation Commission (KCC), The State Corporation Commission of the State of Kansas, Fourth Floor, State Office Building, Topeka, Kansas, 66612, or any successor of such Commission having jurisdiction.

"Cooperative" means Western Cooperative Electric Association., Inc., P.O. Box 278, WaKeeney, Kansas 67672. Phone (785) 743-5561, which furnishes electric service under these Rules and Regulations.

"Construction Allowance" means a credit applied toward the cost of the construction of new facilities provided by the Cooperative pursuant to these regulations.

"Member" is an individual or individuals, association, firm, or corporation making the application for the Cooperative's service.

"Member's Installation" means all electric wires, cut-outs, switches, and electric apparatus of every kind and nature, except the Cooperative meters, used in connection with or forming part of an installation for utilizing service for any purpose, ordinarily located on member's side of 'point of delivery' and including 'service entrance,' whether such installation is owned outright by member, under lease or otherwise.

"Commercial Service" is the furnishing of electric energy for all applications. Any establishment engaged in the operation of a business, whether for-profit or non-profit, shall be considered a commercial enterprise. This category includes but is not limited to clubs, lodges, hotels, motels, rooming houses, camp grounds, schools, municipal buildings, and churches.

"Connected Load" is the combined nominal rated electrical capacity of all appliances and apparatus installed on member's premises, which may at the will of the member, be operated with service supplied by the Cooperative.

"Contribution in Aid to Construction" (CIAC) is a non-refundable contribution that is not eligible to be offset by a construction allowance paid by the member/applicant to help cover the costs of extending electric lines. This is exclusive of tap fees and the utilized construction allowance.

"Construction Costs of Distribution Facilities" means the combined cost including tap fee charges, if applicable, for all facilities necessary to the distribution extension or necessary reinforcement, including satisfactory rights-of-way.

"Electric Service" is the maintenance by the Cooperative, up to the 'point of delivery' of electric energy available for use by a member in accordance with the electrical service agreement.

"Idle Service" means the Cooperative's facilities to any premises that become idle, using no electric energy for a period greater than twelve months.

"Industrial Power Service" is the furnishing of electric energy for all applications for industrial usage, except as expressly prohibited or modified in any applicable rate or the Rules and Regulations.

"Interconnection Agreement" means an agreement that sets forth the contractual conditions under which the Cooperative, Sunflower Electric Power Corporation, and the member-generator agree to interconnect a 'qualifying facility' to the Cooperative's system.

"Interconnection Facilities" means all facilities and equipment between the 'qualifying facility' and the point of interconnection, including any modification, additions, or upgrades that are necessary to physically and electrically interconnect the 'qualifying facility' to the Cooperative's system.

"Irrigation Service" is the furnishing of electric energy for all applications for irrigation usage, except as expressly prohibited or modified in any applicable rate or the Rules and Regulations.

"Lighting Service" is the furnishing of electric energy for all applications for lighting usage. This category includes but is not limited to a private area, street, alley, park, highway and security lighting as well as traffic signals operated by municipalities, governmental agencies, and subdivisions.

"Load Factor" means the ratio of energy (kWh) used during a specified period (hours) to the maximum capacity (kW) multiplied by the specified period (hours).

"Line Extension" as herein used shall include the transformer and equipment, if any is required at the point of connection with the source of energy supply; poles, crossarms, insulators, wires, guys, and other accessory material constituting the pole line; the member's transformer installation including the lightning arresters, cutouts, and accessory equipment necessary; and the secondary circuit wires and supports up to 'point of delivery.' Unless otherwise specified, the 'point of delivery' shall be the last secondary support designated as the service pole, at which is the point member shall be metered.

"Multiple Residential Complex" includes newly constructed mobile home courts and apartment buildings, as well as renovated mobile home courts and apartment. 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 and orphanages, or;
- 2. Buildings and structures used essentially for general office, commercial or industrial purposes.

"Net Metering" measures the difference between the electricity the member buys from the Cooperative and the electricity the member produces when using its own generating source.

"Past Due" is the point at which the Cooperative can affect a member's account for service due to non-payment of charges for regulated service. An unpaid bill will not be considered past due until twenty-five (25) days after printing.

"Point of Delivery" means the location where the Cooperative's electric facilities are first connected to the electric facilities of the member. The location of the 'point of delivery' will be determined by the

Cooperative in accordance with standard practices or as individual circumstances may dictate.

"**Prepaid Metering**" (PrePayPOWER) is a pay-as-you-go alternative to obtain electric service without having to pay a deposit. This rate is only applicable to residential.

"Qualifying Facility" (QF) is defined by the Public Utility Regulatory Policies Act of 1978 (PURPA). Refer to CFR Title 26, Volume 4, Sec. 292.204. The distinction between QF and Non-Qualifying Facilities primarily considers the type of fuel used for generation. In general, a QF must have its primary energy source be biomass, waste, renewable resources, geothermal resources or any combination.

"**REC**" means any current or future renewable energy credits, certificates, tags, benefits, emissions reductions, offsets or allowances, howsoever entitled, named, registered, created, measured, allocated or validated, whether now in existence or in the future created, that are attributable to (i) generation of energy by a 'qualifying facility,' and (ii) the emissions or other environmental characteristics of such generation or its displacement of conventional or other types of energy generation.

"Residential Service" is the furnishing of electric energy for domestic use in private homes and individual apartments where one household is supplied through one meter.

"Rural Member" is defined as a purchaser of electric who uses the service in the conduct of one enterprise, occupation or institution, located outside the limits of any city or community with similar characteristics at such distance that it cannot be adequately served from the secondary lines of the local distribution system.

"Service Entrance" is the portion of member's installation between 'point of delivery' and the Cooperative's meter.

"Service Lateral" means the secondary overhead or underground electric circuit and associated facilities located between the Cooperative's distribution line and the 'point of delivery' to the member. Service lateral provides service for member's exclusive use.

"Tap Fee Reimbursement" means the portion of the applicant's construction cost to be reimbursed to the existing member(s) on an original primary line extension. The existing member's reimbursement(s) shall not be greater than the member's Contribution-in-Aid-to-Construction payment.

"Tap Fee Reimbursement Period" means five years and shall commence with the in-service date of construction. During this period, the Cooperative shall calculate the portion of the tap fee payable by subsequent members connecting to the original primary line extension.

"Upgrades" means the required additions and modifications to the Cooperative's system at or beyond the point of interconnection. Upgrades do not include interconnection facilities.

CHARACTER OF SERVICE

- 1. The type of electric service available will depend upon the location, size and type of load to be served. The member shall ascertain from the local office of the Cooperative the phase and voltage of the service that will be available before proceeding with any wiring, the purchase of motors or special equipment, or the installation of wiring for same.
- 2. The Cooperative reserves the right to specify the kind and voltage of service to be supplied to any location and to specify the voltage at which any member's service shall be metered in accordance with the applicable rate schedule. Service will be rendered to the member from the Cooperative's nearest adequate distribution line and the member shall accept such service.
- 3. Service Connection or Service Loop:
 - a. Overhead service connection or service loops from overhead distribution systems will be installed and maintained by the Cooperative.
 - b. Underground service laterals from the Cooperative's distribution system will be provided as per terms set forth in Line Extensions.
- 4. Unless otherwise provided by the rate schedule, no other source of electric service shall be introduced or permitted, directly or indirectly, in connection with the member's equipment to which energy is supplied by the Cooperative without written notice to and written permission from the Cooperative.
- 5. The Cooperative's service for separate use of tenants or occupants of multiple family houses, office buildings, stores, and other leased or jointly used premises will be furnished directly to them through the Cooperative's meters. It will not be supplied through a master meter for submetering to such tenants or occupants except under conditions provided by the rate schedules for such service.
- 6. In cases of hoists, elevators, furnaces, welding machines and other equipment where the use of electricity is intermittent or subject to violent fluctuation, the Cooperative reserves the right to require the member to install at the member's own expense suitable equipment to reasonably mitigate such intermittent fluctuations.
- 7. Reverse phase relays and circuit breakers or similar devices are required for all polyphase services to protect the installation in case of phase reversal or phase failure (single phasing). Should special cases seem to warrant any exception to the above Rules and Regulations the Cooperative may, after an investigation, make such exception.
- 8. The Cooperative agrees to use reasonable diligence in providing electrical service. In case the supply of current should be interrupted or fail for any reason of accident, state or municipal interference, or any other cause not reasonably within the Cooperative's control, the Cooperative shall not be liable for damage resulting from such interruption or failure.

RATE APPLICATION

Rates will be determined based on the voltage supplied, the size of the load (kW), and the type of facility or equipment. The Cooperative will determine the rate class based on these load characteristics. The Cooperative will assist any member or prospective member in applying the Cooperative's rate schedule, Rules and Regulations, and where optional schedules are available and will advise the member or prospective member upon request as to the appropriate schedule based on the character of service.

Standard Rate Schedules

Detailed tariff descriptions can be found online at www.westerncoop.com or requested through the main office.

APPLICATION FOR SERVICE AND AGREEMENTS

Application by Member

The member shall request electric service to the Cooperative, and the Cooperative shall supply the member with service in accordance with rates, rules and regulations, and terms and conditions as filed with and approved by the Board of Trustees. The member may, at the discretion of the Cooperative, be connected based on an oral request. This request becomes an Electric Service Agreement upon establishment of electric service. The Cooperative may require a separate Electric Service Agreement for each class of service at the same or each separate location.

- 1. The Cooperative may require prospective members to apply for the service desired in person or by telephone and to establish the members' credit. All service requests shall be made by the member and accepted by the Cooperative before the Cooperative supplies any service, and when accepted, shall constitute a contract between the member and the Cooperative, subject to duly established Rules and Regulations for the period specified in the rate schedule under which service is furnished. Member shall not assign any rights thereunder without the written consent of the Cooperative.
- 2. All service applications shall be made in the proper name of the person desiring the service. In case of any violation of this provision, the Cooperative may discontinue service.
- 3. All service contracts shall be for the minimum period specified in the applicable rate schedule and/or the filed Rules and Regulations covering line extensions.
- 4. A service contract is not transferable by the member. New occupants of the premises must apply in either the Cooperative office or by telephone before service is rendered.

- 5. Before service is connected, the member, without cost to the Cooperative, shall make or procure conveyance to the Cooperative of rights-of-way or easements for suitable location of the Cooperative's lines, conduits, transformers or metering equipment on or across lands owned or occupied by the member and shall furnish shelter satisfactory to the Cooperative for all apparatus of the Cooperative located on member's property. An underground primary cable on private property requires a written, recorded easement.
- 6. The point of delivery of electric service furnished by the Cooperative shall be at the exterior of the building or premises to be served with a standard service connection. In cases where the building or premises cannot be served by a standard service connection, special arrangements with the Cooperative will be required. A standard service connection as used herein does not require additional support other than the pole from which the service is taken and one standard service support for each wire to the building to be served.
- 7. A copy of the Cooperative's rate schedules, connection and extension policy, rules governing member's electric wiring and installations, general and special Rules and Regulations, supplements thereto and revisions thereof, as approved by the Board of Trustees, is kept in the office of the Cooperative and available online and is open for inspection during regular business hours. An electronic copy of the rates and rules can be found at the Cooperative's website <u>www.westerncoop.com</u>. The Cooperative shall elect under which available rate schedule service shall be supplied based on the character of service, the voltage required, and the load type.
- 8. The member shall furnish upon request enough information relative to the size and characteristics of the load, the location of the premises to be served, and information needed to designate the class or classes of electric service to be supplied and the conditions under which it shall be supplied.
- 9. Where there are two or more rate schedules applicable to any class of service, the Cooperative will, upon request of the member, explain to the rules of service governing the several schedules and will assist the member in the selection of the rate schedule. The member must designate and be responsible for selecting the rate schedule so desired, and the Cooperative assumes no liability.
- 10. If two or more schedules are available for the class of service required and the member desires to change from one to the other, this may be accomplished upon receipt of a request in writing or verbally from the member, but such a change will not be permitted more often than once every 12 months. If the Cooperative elects to change the rate, the member must demonstrate their load meets the tariff requirements over a period of 12 months.

Additional Provisions

Electric service shall be supplied to the member under the provisions of the member's Electric Service Agreement, the Cooperative's applicable rate schedules, all Rules and Regulations, and any special contract or agreement with the member. The taking of electric service by a member shall constitute acceptance of, and an agreement to be bound by, all such regulations and shall act as a modification of the Electric Service Agreement then in existence without further notice.

Rates

Rates for electric service shall be those of the Cooperative, subject to change as approved by the Board of Trustees. Copies of the rate schedules currently in effect may be reviewed by any member at the Cooperative's principal place of business or online.

Term of Contract

Unless otherwise specified, Electric Service Agreements shall be effective until the service is terminated. The Cooperative may require a contract period in excess of 1 year commensurate with the member's electric service requirements and the necessary service facilities and equipment when justified by the service requirements. Service shall be continued after the expiration of the initial contractual period until canceled by the member upon proper notice to the Cooperative.

Temporary Service

- 1. Additional Charge: Temporary service shall be supplied under the applicable rate schedule for the type of service to be supplied, except that there shall be an additional charge paid in advance before service is established, which is determined as follows:
 - a. An amount equal to estimated labor, overhead, and expendable material charges for both installation and the temporary service minimum; plus
 - b. A security deposit, if required, following these Rules and Regulations.
- 2. Refund to Member: Upon removal of temporary service, all charges in excess of the temporary service minimum fee or the actual cost to the Cooperative, whichever is the greater, shall be refunded to the member after bills for electric service have been paid.
- 3. Change in Occupancy: When a change of occupancy occurs on any premises supplied with electric service by the Cooperative, the outgoing member shall give either written or verbal notice to the Cooperative. The outgoing member shall be held responsible for paying all electric usage recorded by the meter until the requested time of termination.

CREDIT AND SECURITY DEPOSIT REGULATIONS

The Cooperative may request the member to provide reasonable credit information before service is made available. The Cooperative shall not require a deposit because of a member's race, sex, creed, national origin, marital status, age, number of dependents, source of income, or geographical area of residence.

The Cooperative shall maintain a record of all deposits received from members, with receipts available upon request. If the member's existing security deposit is to be adjusted or modified, the member's maximum-security deposit requirement will be calculated in the same manner as an initial deposit.

Upon five days written notice to the member's last known address, the Cooperative may require a new or modified deposit to guarantee payment of bills for utility service provided if:

- 1. The member has had two late payments in the past 12 months.
- 2. The member has tendered two or more insufficient funds payments in the last 12 months.
- 3. The member has filed for bankruptcy in the last seven years.

Deposits will be credited with interest to the utility bill if a member has paid 11 of the last 12 bills on time, provided the original member service contract and all payment plans are fulfilled.

Residential

The Cooperative may require at least one form of identification from residential members who have not previously had service with the Cooperative. Acceptable forms of identification include a social security number, driver's license, other photo identification, or birth certificate. The Cooperative may request the names of each adult occupant residing at the location where residential service is being provided. A credit reference letter from a utility company with no more than one late payment in the last twelve months or a written contract of guaranty signed by a current member having their own credit established with no more than one late payment in the last twelve months will be accepted, in lieu of a security deposit.

The Cooperative may, at the time of the service request, require an initial deposit to guarantee payment of the bill for utility service provided if:

- 1. The Cooperative establishes that the member has an unsatisfactory credit rating based on internal bill payment history or payment history with another utility or insufficient prior credit history.
- 2. The member has an outstanding unpaid service account that accrued within the last seven years.
- 3. In an unauthorized manner, the member has interfered with, diverted, or used unlawfully (such as meter bypass) a utility service within the last five years.
- 4. The member refuses to provide prior bill payment history or does not give permission to the Cooperative to obtain credit history. In this case, the maximum deposit will be charged.

Residential deposits will be calculated as follows:

- The minimum deposit shall be no less than \$150 but is subject to be calculated on average utilities at the member's location. The deposit amount will be based on the higher of either the risk rating (minimum, moderate, or maximum) done by Online Utility Exchange or the member's current or past payment record with the Cooperative. If the current credit check is obtained from Online Utility Exchange or any other company that performs current credit checks, the amount will be as below:
 - a. Minimum Rating No deposit if qualified

- b. Moderate Rating 2 months average bill with a \$150 minimum deposit
- c. Maximum Rating 4 months average bill with a \$150 minimum deposit
- 2. If the amount of the deposit is based on current or past payment records with the Cooperative, the amount of the deposit will be as below:
 - a. If the member has one or fewer late payments, no deposit will be required.
 - b. If the member has two late payments in the past 12 months, the deposit will be two months' average bill.
 - c. If the member has three or more late payments, the deposit will be four months' average bill.
- 3. The average bill is calculated based on the location usage over the past 12 months. If usage is not available, the minimum deposit will be applied.
- 4. All deposit payment plans require a 50% deposit prior to connection, followed by 25% increments on each of the next two bills.
- 5. If the member defaults on the initial payment of the deposit plan, upon written notice to the member at the member's last known address, the deposit plan is void, and service may be disconnected. The member will be required to pay the total deposit amount, as it may be recalculated following the default before the service is reconnected.
- 6. Upon termination of service, the Cooperative will apply the deposit amount plus interest to any unpaid utility bill or transfer the deposit to the member's new active account.
- 7. Simple interest on deposits will be calculated at a rate not less than that provided by K.S.A. 12-822 and amendments. Interest on deposits will be credited to member's accounts annually.
- 8. If prepay is available for that type of service requested by the member, a member may use prepay in place of a deposit.

Non-Residential

For non-residential applicants, the Cooperative may require the name of the person(s) responsible for payment of the account and at least one form of identification, as well as the name of the business, type of business, and taxpayer identification number as issued by the Internal Revenue Service or Social Security Administration. Person(s) listed as responsible for payment assumes responsibility for the duration of service.

- 1. A non-residential applicant may provide a surety bond or an irrevocable letter of credit with an automatic renewable clause in lieu of a cash security deposit.
- 2. The minimum deposit shall be no less than \$50. The deposit amount will be based on the two times the largest bills in the last 12 months if history is available. If no history is available, the

deposit amount will be based on two months of projected bills. The Cooperative may terminate service for non-payment of deposit following written notification.

- 3. No deposit will be refunded until the original contract is fulfilled.
- 4. Deposits under \$2,000 will be credited with interest to the utility bill if a member has paid 11 of the last 12 bills on time, provided the original contract is fulfilled. The Cooperative will retain deposits of \$2,000 and greater the duration of service.
- 5. Amounts of non-residential deposits may be reviewed, and the amount adjusted at the member's request, or the discretion of the Cooperative or new deposit established based on payment record.
- 6. Interest on deposits will be credited to member's accounts annually.

Upon termination of service, the Cooperative will apply the deposit amount plus interest to any unpaid utility bill.

BILLING AND PAYMENT

Payment of Bills

All bills for electric service are due and payable upon receipt. Normally, bills shall be sent by mail, although a member may elect paperless billing and receive billing communications by text or email. However, a member's non-receipt of a bill shall not release or diminish the member's obligation for the full payment thereof, including penalties and interest.

Contents of Bill

- 1. The Cooperative shall normally bill each member each billing period under its applicable rate schedules. Billings may be issued on a monthly, self-billing, turn-around, or another basis. Each service bill issued to a member shall show:
 - a. the beginning and ending meter registration for the reading period.
 - 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. if appropriate, the fuel, power or energy cost adjustment in cents per kilowatt-hour (¢/KWH) and the total amount of the adjustment due;

- g. the amount of additional charges due for past due accounts, security deposits, collection, connection or disconnection, installment payments, and other utility charges.
- h. the total amount due for the current billing period;
- i. the amount due for franchise and sales taxes and research and development surcharges each stated separately if appropriate; and
- j. the address and telephone number of the Cooperative and the office where a member may report a disputed bill, inquire concerning a bill, delinquency, or termination of service, or otherwise express a concern.
- 2. The Cooperative may include on the bill for utility services other charges for special services designated clearly and separately from charges for utility service. Special charges are those not authorized by tariff or otherwise explicitly regulated by the Commission. If the member makes a partial payment for the total bill, the Cooperative shall credit payment: (a) first to the balance outstanding for utility service beginning with the oldest service debt, (b) then to additional utility charges (such as disconnection/reconnection fees), and (c) then to special charges as defined above.
- 3. If the member is paying under the Budget Payment Plan, each bill shall also clearly disclose the overage or underage of the amounts paid to date as compared to the actual cumulative usage, in dollars, to date.
- 4. If the member is paying down an arrearage under the Cold Weather Rule or another payment plan, those monthly amounts shall be printed on the bill and clearly labeled.
- 5. Meter Reading Periods: Unless otherwise provided in the rate schedules, meters shall be read at intervals approximating the billing period.
- 6. Estimated Usage: the Cooperative may render a bill with an estimated reading. This may be necessary due to equipment failure, a new service prior to connection of member's equipment and other reasons determined by the Cooperative.

Cash Payment

The Cooperative may require the member to make payments by cash, certified checks, or money orders. The Cooperative shall give notice to the member whenever checks shall no longer be accepted for payment of bills.

Returned Payment Charge

The Cooperative may require a Returned Payment Charge, as filed in the Service Fees Rate Schedule, from the member for member payments returned for insufficient funds or any other reason. This includes checks, ACH transactions, or EFT transactions.

Tax Adjustment

Special Taxes

When any city, county, state, or other taxing sub-division imposes a franchise, occupation, business sales, license, excise, privilege, or similar tax of any kind on the Cooperative, the amounts thereof insofar as practical, shall be charged on a prorated basis to all members receiving electric service from the Cooperative within the boundaries of such taxing sub-division. This tax charge, in all cases, shall be in addition to the regular charges for electric service.

Special Tax Handling

All such taxes imposed shall be added as a separate charge to the member's bill.

Gross Receipts Tax

Where a tax is levied on a percentage of gross receipts, that percentage shall be applied to each affected member's bill, and the amounts so computed shall be added to each member's regular billing until such member's proportionate share of the total tax is paid. The prorate tax applicable to each member shall be identified on the member's billing as such.

Energy Cost Adjustment

- 1. The Energy Cost Adjustment (ECA) reflects the increases/decreases in the Cooperative's cost of power purchased wholesale from Sunflower Electric Power Corporation. The fluctuation in the ECA is largely caused by changes in the cost of fuel and other activities such as transmission congestion.
- 2. Many factors can affect the price of wholesale purchases, including market fluctuations, transmission congestion, weather, changes in the price of fuel, and unforeseen changes in the operations of our wholesale supplier's generating fleet.
- 3. Since the ECA is based on the costs to purchase monthly energy, the amount billed will be different each month. The ECA charge on your bill is calculated monthly by multiplying the monthly ECA factor by the kWh used during the month.
- 4. Computation Formula: The Cooperative calculates the ECA amount by using the following formula:

Adjustment =
$$\frac{C}{S} - b$$

Where:

- C = Total actual cost of purchased power recorded for those rate schedules subject to the ECA, for the latest month for which data is available.
- b= Average power cost per kWh sold established during the base period. The base

period is defined as the period from which data was taken in establishing the rates to which the ECA will be applied.

- S= Estimated sales in kWh, for those rate schedules subject to the ECA, for the same month used to determine C, the actual cost of purchased power.
- 5. The Cooperative's base load power is a mix of resources through an Integrated Market (IM) managed by Southwest Power Pool and Sunflower Electric Power Corporation. This energy is a mix of coal, natural gas, wind and solar. If a generating unit is out of service, more expensive electricity may need to be purchased and imported from higher cost power supply sources. This could mean an immediate increase in the cost of electricity. The ECA factor allows the Cooperative to pass those costs through to the members, making it possible for the Cooperative to recover all its wholesale power costs. Similarly, if the cost of power decreases, the ECA also decreases.

Residential Budget Payment Plan

Availability

Members may elect to be billed and must pay for electric service provided by the Cooperative in accordance with the terms and provisions of the Cooperative's budget payment plan. The purpose of the budget payment plan is to levelize the amount a member pays monthly over a year insofar as possible.

Conditions of Budget Payment Plan

The member shall be entitled to receive electric service under the budget payment plan provided the member shall agree:

- 1. to pay each monthly installment on or before the due date thereof;
- 2. to pay the late payment charge provide in these Rules and Regulations if a bill becomes delinquent;
- that failure to pay any monthly installment on or before the billing due date shall be cause for termination by the Cooperative of the budget payment plan for the member, in addition to other remedies permitted by these Rules and Regulations;
- 4. if the budget payment plan is terminated, any amount or amounts payable by or due to the member because of the metered service during the period covered by the plan shall be billed or credited to member at once;
- 5. that until terminated by either party, the budget payment plan shall be renewed automatically;
- 6. that the budget payment plan may be periodically reviewed by the Cooperative and the monthly installment payment shall be revised if it appears at any time on a review that the debit or credit balance at the end of the contract period shall substantially exceed the estimate; and

7. the difference between the accumulated total amount of the member's billings determined by metered usage, and the accumulated total of the amounts paid before the final month of the contract period shall be charged or credited to the service bill for the final month of such contract period, which shall be subject to carry over into the following year's contract period.

Delinquent Bills

- 1. Bills for electric service shall be deemed delinquent if payment thereof is not received by the Cooperative, or its authorized agent, on or before the date stated on the bill.
- 2. When a bill becomes delinquent, a late payment charge in an amount equal to 2% of the charge in an amount owed for current electric service shall be added to the member's bill, and collection efforts by the Cooperative shall be initiated.
- 3. If the last calendar day for remittance falls on a day when the Cooperative's office is not open to the public, the final payment date shall be extended through the next business day.

Default

- 1. Failure of the member to conform to these Rules and Regulations or to pay any amount due to the Cooperative under the member's Electric Service Agreement in the total amount due before becoming delinquent shall constitute a default by the member in their Electric Service Agreement.
- 2. The member's obligation to pay the amount due to the Cooperative under the member's Electric Service Agreement shall be separate from other obligations and claims between the Cooperative and the member. Failure by the member to pay obligations to and claims by the Cooperative other than amounts due to the Cooperative under the member's Electric Service Agreement shall not constitute a default justifying discontinuance of electric service. Failure of the Cooperative to pay obligations to or claims by the member or give the member credit shall not justify failure by the member to pay the amount due to the Cooperative under the member's Electric Service. Failure of the Cooperative to pay obligations to or claims by the member or give the member credit shall not justify failure by the member to pay the amount due to the Cooperative under the member's Electric Service.

PrePayPOWER

PrePayPOWER is a prepaid metering option, which is a pay-as-you-go alternative to obtain electric service without having to pay a deposit. This rate is only applicable to residential.

- 1. This type of billing requires a minimum payment of \$50 posted as credit, and the account is billed daily.
- 2. If the account gets to a balance of \$0 or less, and the meter shuts off, the member will again be required to make a minimum payment of at least \$50.
- 3. No deposit or credit reference is required.
- 4. New and existing members can choose a PrePayPOWER account by signing a contract.

- 5. Members can make payments when they choose to, in any amount, with no fixed monthly due dates.
- 6. Each member is required to provide the Cooperative with phone numbers that can receive text messages or an email address to send notifications to the member letting them know that their credit is running low. Each member is solely responsible for keeping the Cooperative updated on current phone numbers and email addresses. Failure to receiving notifications does not prevent the meter from disconnecting. When the account reaches \$0, the meter will disconnect. The meter will shut off on weekends and holidays.
- 7. Payment options include cash, debit, or credit cards. Payments can be made via the Cooperative's website, online account management software, or by calling the Cooperative's office 24/7.
- 8. The Cold Weather Rule does not apply to prepaid metering.
- 9. The 21-day medical extension does not apply to PrePayPOWER. There are no payment plans with PrePayPOWER.

Cold Weather Rule

- 1. The cold weather period for the Cooperative runs from November 15 to March 15.
- 2. This policy does not pertain to PrePayPOWER billing accounts.
- 3. The Cooperative shall not disconnect a residential service during the cold weather period when the National Weather Service forecasts the temperature will drop below 35 degrees within the following 24-hour period unless:
 - a. The member has chosen to use prepaid billing.
 - b. It is at the member's request.
 - c. The service is abandoned.
 - d. A dangerous condition, as determined by the Cooperative, exists on the member's premises.
 - e. The member violates any rule of the utility which adversely affects the safety of the member or other persons or the physical integrity of the utility's delivery system.
 - f. The member causes or permits unauthorized interference with, or diversion or use of utility service (meter bypass) situation or delivered on or about the member's premises.
 - g. The member misrepresents their identity for obtaining or retaining utility service.
 - h. The member makes an insufficient funds payment as the initial payment or an installment payment under a payment plan and does not cure the insufficient payment during the ten days after a disconnection notice is sent to the member.

If any condition listed under a,b,c,d,e,f,g, or h of this section occurs, the Cooperative may disconnect service immediately.

Reselling or Redistributing Service

The service furnished is for the sole use of the member; the member shall not sell or re-deliver electric service to any other person without the written consent of the Cooperative. In case electric energy supplied by the Cooperative to the member is resold without the consent of the Cooperative, service shall be discontinued after two days' notice. Power shall not be restored until the member has arranged to discontinue the reselling or redistribution of the service. If service is required to be discontinued for this cause, a reconnection charge shall be required to be paid before service is restored.

COLLECTION AND DISCONNECT POLICY

- 1. This policy replaces any portion of present Cooperative billing standards pertaining to collections of past due accounts of the Cooperative. This policy may be altered or changed with the approval of the Board of Trustees.
- 2. After the bill's due date passes, a 10-day written notice will be sent to the member at the address of record.
- 3. After the due date noted on the delinquent notice, a phone call will be made to the primary phone number as listed on the account prior to disconnection.
- 4. After the delinquent bill phone call has been made, meter is subject to disconnection.
 - a. If a crew is dispatched to disconnect service, no personal contact will be attempted before disconnection.
 - b. If an AMI meter with remote disconnect capability is in place, disconnection will occur remotely on the date of disconnection. Payment or payment arrangements will need to be made before service is restored. Members will need to notify the office when payment arrangements are needed.
- 5. Applicable fees will be added to the delinquent bill amount.
- 6. Reconnections will be made on the same day as payment is received, whenever possible.
- 7. For a member to qualify for payment arrangements, they must:
 - a. Inform the Cooperative of the member's inability to pay the bill in full.
 - b. Not be enrolled in PrePayPOWER.
 - c. Not be in default on any other current payment arrangements, and
- 8. Payment arrangements are available up to a maximum of 4 months.

- 9. Payment arrangement may extend through the Cold Weather Rule at the discretion of the Cooperative.
- 10. All payment arrangements require the member to pay 50% of the past due balance upon inception of the arrangement.
- 11. None of the following constitutes sufficient cause for disconnection:
 - a. The failure of the member to pay for service received at a concurrent and separate metering point, residence or location. In the event of discontinuance or termination of service at a separate metering point, residence, or location in accordance with these rules, the Cooperative may transfer any unpaid balance to any other account held in the member's name.
 - b. In the event of the failure of the member to pay a final bill at any metering point, residence or location, the Cooperative may transfer such unpaid balance to any successive service account where the member resides and may discontinue service at such successive metering point, residence or location for non-payment of such transferred amount.
 - c. The failure to pay an unpaid service account is more than seven years old.
 - d. Except for discontinuance above, the Cooperative shall not disconnect service unless: If a manual disconnect/ reconnect is required for the member's meter, at the time of the proposed discontinuance, for one hour after discontinuance and on the full workday following discontinuance the Cooperative's office is open for the member to make a payment and obtain-reconnection. AMI meters with the ability to remotely reconnect upon the receipt of payment will be subject to disconnection at the cooperative's discretion.
- 12. This policy does not pertain to accounts using PrePayPOWER.
- 13. Unless otherwise specified in the Electric Service Agreement, if disconnection and reconnection of service occurs at the same premises, under the same account, within one (1) year, the Cooperative will collect the sum of such minimum bills as would have occurred during the period of disconnection.

SCHEDULE OF FEES

1. The following schedule of fees and charges shall be collected by the cooperative in accordance with the provisions of the Rules and Regulations.

Connect Fee	\$5.00
Disconnect Fee	\$30.00
Reconnect Fee	\$30.00
Reconnect from Idle	\$30.00
Commercial Reconnect from Idle	\$300.00
Returned Check Fee	\$30.00
Temporary Service Fee	\$15.00
Late Payment Fee	2% of the Past Due amount

DIVERSION

- 1. The Cooperative shall have the right to discontinue service to any member on any premises for diversion of electricity.
 - a. If lights, appliances or other electricity-consuming devices are connected on the line side of the meter, or any connections or devices of any kind are found installed on the member's premises, which would prevent the meter from registering the total amount of electricity used.
 - b. The Cooperative may elect to remove any electricity-consuming devices or connections on the line side of the meter itself, causing a momentary interruption of service.
 - c. Such interruption shall not constitute discontinuance of service and shall not require notice.
 - d. If anyone has interfered or tampered with any wires or devices connected with the Cooperative's electric distribution system, thereby making possible the use of electricity at member's premises without the knowledge and consent of the Cooperative.
 - e. If the member, anyone connected with them, or anyone with their knowledge and consent has violated any of the provisions of the Kansas statutes, city or town ordinances, statutes of the United States or other lawful regulations applicable to the Cooperative's service at the member's premises.
- 2. The existence of electricity consuming devices, installed ahead of the meter or any tampering or interfering (including the breaking of meter seals) with wires, devices, or equipment connected to the Cooperative's distribution system, or the injury, alteration or obstruction of any meter which will permit or make possible the use of electricity without the knowledge and

consent of the Cooperative, shall be taken as evidence of the diversion of electricity by the member in whose name service to the premises is being rendered.

- 3. In case a check meter performed by the Cooperative registers more current in the same interval of time than does the meter installed at the member's premises, that fact shall constitute evidence that unregistered electricity has been diverted by the member.
- 4. The Cooperative shall, in any reasonable manner, compute the amount of unmetered electricity and may request to inspect the member's premises to make an actual service count of all current consuming devices. Such computation will be made for a period beginning with the date the member began using service at the location where the irregularity was discovered, unless evidence indicates that the diversion of service commenced later and ending with the date on which the irregularity ceased. In cases where the Cooperative, for any reason whatsoever, is unable to make a service count, the computation shall be based on other available information. Bills for such unmetered electricity based on the rates effective during the period of irregularity, for the cost of disconnecting service and for the expense incurred by the Cooperative in investigating and determining the diversion of electricity shall be due and payable upon presentation.
- 5. When service has been discontinued for a diversion of electricity, the Cooperative shall not be required to furnish service to the member, or to anyone for their use, at the same or any other place, until:
 - a. The member shall have paid all bills as set forth in the preceding paragraph, plus the cost of disconnecting service.
- 6. The member shall have paid the cost of installing or shall have installed, upon the premises wherever the member desires service, such continuous metallic conduit, either rigid or flexible, as the Cooperative may require, and such other protective devices as will permit the installation of the Cooperative's standard outdoor metering equipment for preventing future irregular diversion of electricity.
- 7. The foregoing Rules and Regulations applicable to irregular diversion of electricity are not in any way intended to impair, affect or modify any action or prosecution under the criminal statutes of the State of Kansas.

MEMBER'S SERVICE OBLIGATIONS

Member to Furnish Right-of-Way (Easement)

The member will provide or procure for the Cooperative at their expense such rights-of-way (including permission to trim or remove any trees that may interfere with the operation of the Cooperative's facilities) as are satisfactory to the Cooperative, across property owned or otherwise controlled by the member, for the construction, operation, and maintenance by the Cooperative of its facilities necessary or incidental to the supplying of such electric service.

Electrical Inspections

All wiring should conform to the requirements of the National Electrical Code. The Cooperative may refuse to give service where the installation is not in proper condition, from the standpoint of safety, permanence or adequacy for prospective loads. The member shall not materially increase load without first notifying the Cooperative and obtaining consent.

Defective Member Equipment

Defective appliances or fixtures shall be disconnected at once and properly repaired before further use. Defective appliances or fixtures include, but are not limited to those, which have been found by tests to be causing interference to radio, television, and electronic equipment used by others. If electric energy is found to be escaping from any wires or equipment in or about the member's premises, the member shall open the service switch immediately to shut off the flow of electric energy and notify the Cooperative at once.

Construction or Uses Affecting the Cooperative's Equipment

The member shall consult with the Cooperative before causing or permitting any construction that will affect any of the Cooperative's service facilities or equipment. The member shall not, without written consent by the Cooperative, enclose any exposed portion of service facilities, use any of the poles, wires, structures, or other facilities of the Cooperative for fastening thereto, support, or any purpose whatsoever, nor shall member locate anything in such proximity to the aforesaid facilities of the Cooperative as to cause, or be likely to cause, interference with the supply of electric service, or a dangerous condition. The member 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 member's request or necessitated by the member's interference with the Cooperative's facilities. The Cooperative reserves the right to immediately remove, and without notice, any unauthorized attachments to it's facilities. The Cooperative's equipment will be removed or relocated only by employees, agents, or authorized representatives of the Cooperative.

Liability Provisions

Interruption of Service

Liability of Member: The Cooperative will use reasonable diligence in furnishing a regular and uninterrupted service, but in case such service should be interrupted, or fail by reason of an act of God or public enemy, war, accidents, strikes or their equivalent, legal process, state or municipal interferences, breakdowns or injury to the equipment of the Cooperative or extraordinary repairs, the Cooperative will not be liable in damages caused by any such interruptions of service.

Emergency Repairs: The Cooperative reserves the right to shut off supply of electric energy at any time when such action is necessary to making repairs or in case of emergency. In such case, the Cooperative shall make every reasonable effort to restore service at the earliest possible moment. An interruption of service will not relieve member from any charges for service, which have been rendered.

Liability for Leakage and Damage

The Cooperative will not be liable for any loss, damage, or injury whatsoever caused by loss of

electric energy after energy has passed through the Cooperative's meter herein defined as 'point of delivery,' nor for defects in the member's wiring or appliances.

Liability

Members shall save the Cooperative harmless from all claims for trespass, injury to persons, or damage to the lawn, trees, shrubs, buildings, or other property that may be caused because of the installation or replacement of the service wires and other necessary appurtenances to serve member unless it shall affirmatively appear that the injury to persons or damage to property complained of, has been caused by willful default or negligence on the part of the Cooperative or its accredited personnel.

Franchise Obligations

If any rule or regulation herein conflicts with the provisions of any franchise under which the Cooperative is now operating or may hereafter operate in any municipality, then the provision of such franchise shall govern.

Parallel Operation

No member 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.

Service Entrance Equipment

Specifications for Electric Service

The type of electric service furnished to the member will depend on the location, size, and type of load to be served. It is necessary that the member obtain from the local office of the Cooperative the phase and voltage of the service that is to be furnished before proceeding with the purchase of motors, special equipment, or the installation of wiring for the same. When a member proposes to acquire equipment for operation from existing circuits, they should determine the voltage, phase, and frequency for which such equipment is designed.

The member 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 members and the facilities and equipment of the Cooperative. The Cooperative may refuse to supply electric service or suspend electric service to a member, without notice, if the member's installation is in an unsafe or dangerous condition or is so designed or operated as to disturb the electric service supplied by the Cooperative other members.

Welding machines, large hoists, x-ray machines, primary capacitors, electric furnaces, equipment with excessive starting currents or intermittent or rapidly fluctuating load characteristics which adversely affect load regulation, and any experimental or unusual electric devices are expressly designated as disturbing uses and shall not be connected, except upon such prior special

arrangements as may be made with the Cooperative. If total harmonic current distortion (THD) produced by the member exceeds values outlined in IEEE Std 519, the member will be required to mitigate current and voltage distortion to acceptable levels.

Motors and Equipment

So that service to lighting members may not be unduly affected, the following limitations on motor starting current, type, and size of motors, and other current using equipment are necessary.

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

Single-phase, 2 wire, 480 volts Single-phase, 3 wire, 120/240 volts Three-phase, 4 wire, wye 120/208 volts Three-phase, 4 wire, delta 120/240 volts Three-phase, 4 wire, wye 277/480 volts Three-phase, 3 wire, delta, 240 volts Three-phase, 3 wire, delta, 480 volts

Service provided at primary voltages will be supplied where conditions warrant. The

Cooperative must be consulted in these cases. The Cooperative will designate the type of service based on the location, size, and nature of the proposed load and its relation to the Cooperative's facilities.

Service as listed above is generally available. Three-phase service is supplied from The Cooperative's distribution circuits and may not be available except in urban districts. Members should check with the Cooperative to determine the availability of this service.

Members and contractors contemplating the purchase and/or installation of a welder or any threephase motor or single-phase motor larger than 5 horsepower should obtain information relating to the character of service available at the address of such proposed installation from the Cooperative.

Motors

Three-phase motors operating elevators, cranes or similar equipment, which could be damaged due to a reversal of motor rotation, shall be protected by the member with reverse-phase relays, circuit breakers, or similar protective devices designed to disconnect the motor from the line in case it should receive single-phase or reverse-phase power. In addition, mechanical devices shall be installed to prevent damage due to travel of the driven mechanism in the wrong direction.

In all cases, the member should install and maintain the devices necessary to adequately protect the equipment and process during abnormal service conditions or failure of the service supply due to outages.

Individual single-phase motors rated at (5) horsepower or less will ordinarily be permitted at any point where electrical service is available. Individual single-phase motors larger than (5) horsepower, 240 volts will be connected upon special approval of the Cooperative.

All individual motors of 5 horsepower or greater should be three-phase where service can be obtained by direct connection with existing three-phase lines or a reasonable extension thereof.

Motor Starting Devices

- 1. A motor may be started "across-the-line" if its total starting current does not exceed the limitations given below.
- 2. Manual, reduced-voltage autotransformer type starters may be used for motors requiring higher starting currents, provided the current taken on either the starting or the running step and measured on the line side of the starter does not exceed the limits listed.
- 3. Where these limitations cannot be met, it will be necessary to use an automatic reducedvoltage starter (soft start or step starter) or VFD, which will increase the current gradually or in steps to the value required to start the motor without breaking the circuit during the starting operation. When a step starter is used, one second or more must be allowed on each step.
- 4. Variable Frequency Drives (VFD's) are an acceptable method to limit inrush current on motor starting. A VFD is a type of motor controller that drives an electric motor by varying the frequency and voltage supplied to the electric motor. Starting a motor with a VFD

will not subject the motor or driven load to the mechanical shock or to the maximum current of across-the-line starting.

Allowable Motor Starting Currents on Overhead Systems

Definition: Starting current is defined as the locked rotor current at nameplate voltage of a single motor or a group of motors starting simultaneously.

Motors served from 120 volts, single-phase circuits shall have starting currents not to exceed 50 amperes at rated voltage, typically limited to 1 ½ horsepower.

Motors served from 240 volts, single-phase circuits shall have starting currents not to exceed 125 amperes at rated voltage, typically limited to 5 horsepower.

Motors served from 480 volts three-phase wye circuits shall have starting currents not to exceed 325 amperes or 40 horsepower.

All motors served from primary distribution voltage shall have starting currents listed to a value that will not cause more than a 2% voltage dip, as measured on the primary side of the service transformer.

Communications

The Cooperative will not be required to furnish service to radio and television transmitting stations unless the member provides and maintains adequate devices, to be approved by the Cooperative to protect meters, transformers, and other apparatus owned by the Cooperative. Amateur transmitting stations, in which the energy change during keying exceeds 500 watts, shall not be connected to house lighting services. Special service for such installations may be secured by making a request to the Cooperative's office.

In no case shall radio, television transmitting, or receiving aerials be attached to the Cooperative's poles or cross the Cooperative's lines.

Current Fluctuation Control

The operation of large flashing signs, welders and furnaces, dielectric and induction heaters, radio and television transmitters, x-ray equipment, reciprocating compressors, and similar apparatus having an intermittent flow of large currents sometimes interferes with other users of the electric service. The member shall consult the Cooperative in each case so that the character of electric service that will be supplied, the corrective equipment needed, and other special precautions that must be taken will be mutually known factors before such apparatus is placed in use. Such corrective measures shall be installed by the member and the results acceptable to the Cooperative.

Protective Control Equipment

Three-phase motors operating elevators, cranes, or similar equipment, which would cause damage due to a reversal of motor rotation, shall be protected by the member with reverse-phase relays, circuit breakers, or similar devices designed to disconnect the motor from the line in case it should receive single-phase or reverse-phase power. In addition, mechanical devices shall be installed to

prevent damage due to travel of the driven mechanism in the wrong direction.

In all cases, the member should install and maintain the devices necessary to adequately protect the equipment and process during periods of abnormal service conditions or failure of a part or all the service supply.

Member's Wiring

Where the Cooperative's rate schedules provide for separate metering of different classes of service, member's wiring shall be so arranged that each class of service can be metered separately. Not more than one set of service wires will supply one building or premises for each class of service furnished to member.

Service for Large Members

Because business establishments, whether commercial or industrial, will each have their own electrical needs varying greatly in their size and characteristics, it is essential that details of each installation be discussed at an early date with the Cooperative. Based on this information, the

Cooperative will specify the service voltage and arrangement and guide the member in selecting proper service equipment.

Defective Equipment and Interrupted Service

The member is responsible for the safe operating condition of their building wiring and the appliances attached thereto. If wires or equipment in or about the member's premises are found in an unsafe condition, the member shall open their service switch immediately to shut off the flow of electric energy and notify the Cooperative's office at once. Defective appliances shall be disconnected at once and properly repaired before using again. In case of interruption of service, the member shall notify the Cooperative immediately.

Maintenance and Replacement of Services

When necessary, the Cooperative will maintain and replace all service wires and appurtenances furnished by the Cooperative to serve the member. The member will maintain and replace all wires and appurtenances furnished by the member for reception and use of electrical energy and maintain them at all times in condition to render satisfactory service.

Charges for Work on Member's Premise

The Cooperative shall charge for all material and labor furnished at member's request in the replacement or repair of member-owned wiring or equipment. The Cooperative shall not charge for any costs of replacements or repairs to equipment furnished and owned by the Cooperative on member's premises except when damage is due to negligence or misuse by the member or when moved at member's request.

DISTRIBUTION LINE EXTENSION POLICY

Purpose

The purpose of this policy is to set forth the service connection and distribution system extension requirements when one or more members request overhead or underground electric service at premises not connected to the Cooperative's distribution system or request an alteration in service to premises already connected where such change may require additional investment.

Definition of Terms

Member: The builder, partnership, association, firm, private or public corporation, governmental agency or other legal entity recognized by the law applying for the construction of an electric distribution extension, extension upgrade or relocation.

Construction Allowance: The cost of that portion of the distribution extension made by the Cooperative.

Methodology for Calculating Construction Allowance: The methodology used to determine the appropriate construction allowance by service class is based on information taken from the most recent

cost of service study and will consist of two parts: a service lateral portion and a distribution system component. Construction allowances shall be calculated separately for each class of members.

Construction Charges: The portion of the distribution extension's construction costs for which the member is responsible. The Electric Extension Standards and the provisions in this extension policy specify which segments of service shall be furnished by the member and which segments are provided by the Cooperative at a cost to the member. These charges may consist of the following components.

- 1. Nonrefundable charges represent the portion of construction in aid to construction (CIAC) above the construction allowance that will not be reimbursable to the member.
- 2. Refundable charges represent the portion of construction charges that may be reimbursed to the member during the 5-year open extension period as outlined in the extension agreement.

Distribution Extension: Distribution facilities including primary and secondary distribution lines, transformers, service laterals, and all appurtenant facilities and meter installation facilities installed by the Cooperative. All extensions constructed under these rules shall remain the property of the Cooperative

Electric Extension Standards: The Cooperative's electric extension standards, as identified by the Rural Utility Service (RUS), available upon request to any member, defines the Cooperative's standards and requirements for installation, wiring, and system design.

Estimated Construction Costs: The estimated construction costs shall be the necessary cost of the distribution extension and shall include all materials, labor, rights-of-way, trench, and backfill, together with all incidental underground and overhead expenses connected therewith. Where special

items not incorporated in the electric extension standards are required to meet construction conditions, the cost thereof shall also be included as a non-standard cost.

Extension Upgrade: The increase in capacity of existing electric distribution facilities necessitated by member's estimated electric requirements and for which the Cooperative determines that such facilities can be reasonably installed.

Extension Agreement: Written agreement between the member and the Cooperative setting out the contractual provisions (construction allowance, construction charges, payment arrangements, the open extension period, etc.) in accordance with this extension policy.

Indeterminate Service: Service that is of an indefinite or indeterminate nature where the amount and permanency of service cannot be reasonably assured to predict the revenue stream from the member. For purposes of uniform application, indeterminate service may include such service as may be required for the speculative development of the property, mobile buildings, mines, quarries, oil or gas wells, sand pits, and other ventures that may reasonably be deemed to be speculative in nature.

Open Extension Period: The period during which the Cooperative shall calculate and pay refunds of construction charges according to the provisions of this extension policy. The Cooperative sets the period at (5) years, which begins on the extension completion date.

Tap Fee: A proportional share of the cost to reimburse members that have paid for the original line being tapped within the last (5) years. Tap fees will only be applicable to rural line extensions. Line extensions within municipal boundaries, city or county subdivisions, or unincorporated towns, are not

eligible for reimbursement if tapped.

Permanent Service: Overhead or underground electric line extensions for primary or secondary service where the use of service is permanent and where a continuous return to the Cooperative of sufficient revenue to support the necessary investment is reasonably assured.

Temporary Service: Any service of known temporary nature, excluding service for construction power, and shall not be continued for a period longer than twelve months.

General Provisions

- 1. The Cooperative, at its sole discretion, after consideration of member's electric requirements, will designate the class of service requested as Permanent, Indeterminate, or Temporary under the definitions set forth herein.
- 2. The Cooperative will determine facility type and routing to be consistent with the characteristics of a member's requirements and for the territory in which service is to be rendered and the nature of the Cooperative's existing facilities in the area.
- 3. The facilities provided will be constructed to conform to the RUS construction standards. Except as otherwise provided (excess facilities), the type of construction required to serve the member appropriately will be determined by the Cooperative.
- 4. Extension agreements will be based upon the Cooperative's estimated construction cost for providing the facilities necessary to supply the service requested by the member. The

Cooperative shall exercise due diligence with respect to providing the estimate of total costs to the member. If it is necessary or desirable to use private, public and/or government rights-of-way to furnish service, the member may be required to pay the cost of providing such rights-of-way. All distribution extensions, except for service conduits, provided wholly, or in part, at the expense of a member shall become the property of the Cooperative once approved and accepted by the Cooperative.

- 5. The Cooperative shall construct, own, operate and maintain new overhead and/or underground feeder lines, service lines and related distribution system facilities only on or along public streets, roads and highways which the Cooperative has the legal right to occupy, and on or along private property across which rights-of-way and easements satisfactory to the Cooperative have been received.
- 6. The Cooperative shall not, in any case, be required to secure a private right-of-way for making extensions of distribution pole lines or other facilities to premises of prospective members within corporate city limits. Easements are a required part of membership in the Cooperative and shall not pay members for such easements. Additionally, all costs related to the acquisition of the easement(s) shall be the full responsibility of the applicant. When necessary, the Cooperative shall endeavor to use franchise rights from the municipality to cover extensions requested. Still, it will not make extensions on streets or alleys not covered by lawful franchise grants.

- 7. The Cooperative shall not be required to construct any extensions of distribution pole lines in any streets or alleys for which the city has not established the property lines, sidewalk lines and curb lines, nor on any streets or alleys which the city has not previously graded except where, although the street or alley is ungraded, the grade has been established. The ground's contour shall not be more than (6) inches above or below the established grade at the proposed locations of the Cooperative's poles or equipment.
- 8. Rights-of-way and easements that are satisfactory to the Cooperative, including those required for street lighting, must be furnished by the member in reasonable time to meet construction and service requirements and before The Cooperative shall be required to commence its installation. Such rights-of-way and easements must be cleared of trees, tree stumps, and other obstructions and graded to within (6) inches of the final grade by the member at no charge to the Cooperative. The member must maintain such clearance and grading during construction by the Cooperative. If the grade is changed after construction of the distribution system in such a way as to require relocation of any of the electric facilities, the estimated cost of such relocation shall be paid by the member or its successors as a non-refundable construction charge.
- 9. The member shall pay an additional construction charge for any ditching required to be performed by the Cooperative due to soil conditions including, but not limited to, the presence of rock or other environmental issues that prevent the use of normal trenching and backfilling practices used in trenchable soil. The charge under this provision shall be the estimated trenching and backfilling costs incurred by the Cooperative, including conduit or padding for feeder lines, if required, less the estimated cost of normal trenching and backfilling. Member may be required to perform said ditching. Where practical, the member will be given the option of paying the increased costs or providing the excavation of rock at no cost to the Cooperative.
- 10. Meter locations in all instances will be determined by the Cooperative and will be located to be accessible.
- 11. Joint Use
 - a. The joint use of the Cooperative's overhead facilities with other utilities or communication services providers will be permitted only pursuant to and according to the terms and conditions of a separate joint use or attachment agreement between the Cooperative and a specific utility or communication facilities owner.
 - b. The joint use of a common trench for liquid fuel lines such as, but not limited to, liquefied petroleum gas or natural gas, or any other wet utilities, with any of the Cooperative's underground electric facilities is prohibited.

Extension Origin and Route

- 1. The location of the extension origin and the route to be followed in the construction of an extension shall be determined by the Cooperative after due consideration of the engineering, land use, and regulatory issues involved to provide the best service possible.
- 2. The origin need not necessarily be at the point on the existing distribution system most proximate to the applicant's premises, nor the route selected the shortest distance between origin and delivery point.

Permanent Service

Each application to the Cooperative for electric service of a permanent nature to premises requiring an extension of the Cooperative's existing distribution facilities will be evaluated to determine the amount of investment (construction allowance) warranted by making such extension. In the absence of special financing arrangements between the member and the Cooperative, the construction charges as specified in the extension agreement shall be paid by the member to the Cooperative before the Cooperative's construction commences. The construction charges may be refundable in part or entirely to the original member during the open extension period. The extension agreement, to be executed by the member and the Cooperative, shall outline the applicable refund mechanism as related to the performance required by the member. In no event shall refunds aggregate an amount greater than the construction charges. Refundable construction charges shall not accrue interest and no interest in any potential refunds may be assigned. The member shall be responsible for notifying the Cooperative within six months of qualifying permanent loads connected to the Cooperative's system. Periodically, the Cooperative shall make the applicable refund(s) as specified in the extension agreement. No refunds will be made for performance after the 5-year open extension period.

Indeterminate Service

For all types of electric service of an indeterminate character, the member shall be required to pay to the Cooperative in advance of the Cooperative's construction all the estimated construction charges as outlined in the extension agreement.

The Construction Charges will be considered non-refundable unless, at the sole discretion of the Cooperative and upon written request of the member, the member is reclassified to a permanent service during the open extension period. In that event, the refund procedure applicable to permanent service members will apply. At the discretion of the Cooperative, a special contract may be granted to oil and gas producing facilities.

Temporary Service

For electric service of a temporary nature, the member shall be required to pay the Cooperative nonrefundable construction charges as outlined in the extension agreement, an amount equal to the estimated net cost of installing, owning, and removing the distribution extension, including nonsalvageable materials. The member shall pay the Cooperative before construction commences. This classification does not include temporary meter sets furnished to service a member's construction requirements. Such temporary service is usually a 100 Amp self-contained meter set.

Extension Upgrade – Non-Residential

When an electric distribution extension upgrade is required to serve a non-residential member's load requirements, the extension agreement between the Cooperative and member shall apply. The estimated construction costs, construction allowance, and construction charges provisions contained in this

extension policy to the extension upgrade.

Facilities Upgrade

Where upgrades are required to serve an existing member's load requirements due to increases in load on transformers serving more than one member due to load increases, the cost of upgrading the transformer will be at the Cooperative's expense.

If upgrades are required due to significant changes to a member's load, the member may be required to pay for the upgrade.

Relocation or Conversion Request

A member desiring to have the Cooperative's existing overhead facilities installed underground or existing overhead or underground facilities relocated may request the Cooperative to make such changes. If the Cooperative determines that such conversion or relocation can reasonably be made, the Cooperative will make such conversion or relocation on the following basis: The cost of removing and relocating such facilities, the related net cost of non-salvageable materials and the cost of any new facilities to be installed shall be paid by the member as non-refundable construction charges as outlined in the extension agreement. No construction allowance is applicable.

Excess Facilities Request

In those instances where the Cooperative chooses to provide facilities at member's request in variance with the Electric Extension Standards, the member shall be required to pay the Cooperative for the cost of such facilities and to pay the Cooperative a non-refundable construction charge or a surcharge as outlined in the extension agreement. The charge is designed to recover the cost of insurance, replacement (or removal cost); license and fees, taxes, operation and maintenance, and appropriate allocable administrative and general expenses associated with such distribution facilities.

Member's Guarantee

When the member's load requirements are unusually large or otherwise necessitate a substantial investment by the Cooperative in special or additional equipment or facilities to serve the member requirements, the Cooperative may require a service agreement to be for an initial term of more than (1) year and a deposit sufficient to secure the Cooperative's investment. If terminated or canceled before fulfillment of the contract, the payment by the member shall be forfeited in the amount as may be necessary to protect the investment of the Cooperative.

Applicability Limitation

The applicability of this extension policy is limited by the following conditions:

1. The extension agreement was not timely executed. The Cooperative's estimated construction costs and construction charges requirements as calculated for each extension may become void
after 120 days from when the Cooperative provides a proposed extension agreement to members. If an extension agreement is not fully executed before that time, it may become necessary for new estimates to be made incorporating the then-current construction costs and

the terms and conditions of the Cooperative's extension policy as on file and in effect at that time.

Calculation and Payment of Refunds

Distribution line extensions requiring member construction payments are subject to refunds during the five years commencing with the extension completion date. No refunds will be made after the five years following the extension completion date. Any remaining unrefunded member construction payment becomes permanent and is no longer subject to refund for any reason. In no case shall refunds be made which exceed ½ the amount of construction cost made by any member. In no event shall any member who has terminated service be eligible for any refund after such termination.

- 1. A change of property or facility ownership shall not qualify for a refund.
- 2. The member(s) who paid for the line extension shall be responsible for requesting the refund.

Line Extension Costs

Extension Charge

The Cooperative shall make extensions to its distribution system as necessary to serve all prospective members within the Cooperative's certified area. The Cooperative will determine the need for an extension of facilities based on generally accepted engineering criteria for rural electric utilities and the National Electrical Safety Code. An estimated cost will be prepared for new facilities requiring an extension of the distribution system, whether it is a secondary service, primary line extension or a combination of both.

Basis of Determining Costs

The estimated construction costs shall be the necessary cost of the distribution extension. They shall include the cost of all materials, labor, rights-of-way, trench, and backfill, together with all incidental underground and overhead expenses connected therewith. Where special items not incorporated in this policy for electric extension standards are required to meet construction conditions, the cost thereof shall also be included as a non-standard cost.

Construction Allowance

After the estimated total cost of construction is prepared, a construction allowance will be calculated based on the character of service and the size of the connected load. The Cooperative will determine this portion of costs for the distribution extension.

The methodology used to determine the appropriate construction allowance by service class is based on data derived from the most recent cost of service study. It will consist of two parts: (1) A service

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lateral portion and a distribution system component, and (2) construction allowances shall be calculated separately for each class of members.

Residential Construction Allowance

Rate Schedule		Service Lateral		Primary Ext.		Total	
Description	Tariff	\$/Consumer		\$/Consumer		\$/Consumer	
Residential Service	RS-23	\$	833	\$	1,969	\$	2,801
Residential Service - Electric Heat	RS-EH-23	\$	833	\$	1,969	\$	2,801

Note: Construction allowances are subject to change based on future cost of service studies.

Commercial and Industrial Construction Allowance

Rate Schedule			Service Lateral		Primary Ext.	
Description	Tariff	\$/kW		\$/kW		
General Service Small <20 kW	GSS-23	\$	115	\$	291	
General Service Medium 20-250 kW	GSM-23	\$	27	\$	127	
General Service Large >250 kW	GSL-23	\$	16	\$	130	
Irrigation	I-23	\$	36	\$	91	
Water Pumping Service	WP-23	\$	59	\$	192	

For loads > 20 kW, all construction costs will be due before construction. After the load has been in service for a period of a 1-year, the monthly billing kW will be reviewed, and a construction allowance will be refunded based on kW demand load data.

The Cooperative will determine construction allowance for all rate classes. Extremely small nonresidential loads such as fence chargers, seasonal water wells, or traffic signals may not be eligible for a construction allowance.

Extension Charges

The contribution in aid to construction (CIAC) is a fee paid by the member/applicant to help cover the costs of extending electric lines. The CIAC is nonrefundable and must be paid before construction begins, either as a lump sum or through a financing agreement. As evidence that the member accepts service under the terms of this extension policy, the member will be required to sign a work order contract guaranteeing the monthly amount being financed for either (1) year, if service can be provided from an existing pole, or (5) years if poles are required to extend service. The Cooperative will finance the line extension cost interest-free up to a limit of \$50K. General Service Large line extensions are not eligible for financing. A discount of 5% will be granted for members if line extension costs are paid as a lump sum.

Analysis of Extension

When one or more prospective rural members apply for electric service, the Cooperative will investigate the extension, ascertain the number of members who can be advantageously served, the number who contract for service under the terms herein prescribed to determine if the extension is justified.

Rebates

If, within (5) years from the date of line extension installation, additional permanent members are connected to the extension, The Cooperative shall refund without interest to the original member an amount not to exceed $\frac{1}{2}$ their original contribution.

Tap Fees

A tap fee will be assessed for lines constructed within the past 5 years and paid for by a member, and a different member joins the lines. The tap fee provides compensation to the original owner that paid for a distribution line up to where a new member's line extension starts. The newest member wishing to connect derives a benefit from the line already constructed and must share in a proportionate cost based on the length of line in the original investment and its construction cost if constructed in the last (5) years. The tap fee shall be based on the contribution in aid to construction (CIAC) portion of line extension costs that have been paid for by the original member to date. If the line being tapped is financed, the tap fee reimbursement must be applied to the outstanding balance of the construction loan. If the original line is paid in full, a tap fee reimbursement check will be paid to the original owner(s). After (5) years, a line is no longer eligible for a rebate.

Underground and Overhead Service

Residential Subdivisions

- 1. In new residential subdivisions, the Cooperative will extend its electric distribution lines when the subdivisions have been platted for development, and installation can be made at one time. Covenants in the plat must dedicate the original filing and all future extensions in the subdivision for electric service.
- 2. Residential subdivisions may be either overhead or underground. Underground will be installed when required by ordinance or when requested by the developer. The Cooperative will endeavor to design line extensions at least cost.
- 3. A copy of the initial filing and proposals for all additional filings shall be provided to facilitate the planning of service to the complete development.
- 4. The filed plat will indicate dedicated easements for electric facilities. Developers should consult with the Cooperative representatives before finalizing these easements. Easements will include provisions for street lighting circuits.
- 5. The Cooperative may, at its option, elect to install a front or rear lot system or any combination thereof.

- 6. The installation of electric facilities by the Cooperative is contingent upon completion of suitable grading of premises. Lot stakes and grade stakes shall be provided along the complete route if a present grade is within plus or minus (6) inches of the final grade. If not within-grade limits, the area shall be brought to final grade prior to installing electric facilities.
- 7. If the Cooperative is required to move any of its facilities after installation due to a change in grade or lot lines, the developer or any other applicant shall pay the entire cost of the move. If The Cooperative is required to move any of its facilities after service is being rendered therefrom, the member or other party whose actions cause such move shall pay the entire cost thereof.
- 8. Provisions for street lighting must be approved by the municipality or county wherein the lighting is located.
- 9. The developer shall contract with the Cooperative for the necessary services as well the complete underground electric distribution system and make an initial deposit with the Cooperative sufficient to protect its investment in the system. The Cooperative may require the developer, builder, or owner to provide the trench for the service from the meter to the first point of connection.
- 10. Application of Deposits
 - a. The deposit shall be in the amount per residential lot determined by dividing the Cooperative's total investment by the number of lots to be served.
 - b. Upon request by the developer, the Cooperative will make a refund of the advance deposit to the developer within 120 days following the installation of service on a lot under contract, with whom a contract has been signed.
 - c. Any amount of deposit not refunded after (5) years to the developer will become non-refundable.
 - d. When service is connected for the homeowner the appropriate rate schedule will be applied.

Underground Service Laterals from Existing Overhead Distribution

- 1. New Services: The Cooperative will furnish, install or cause to be installed the underground service lateral to the meter location for all classes of service. The member will contribute to The Cooperative an amount equal to the estimated cost of the underground minus applicable member allowances.
- 2. Replacement Services: The Cooperative will replace an existing overhead service drop with an underground service lateral if the member pays the Cooperative for the full cost of the work involved, including labor, transportation and material for installation of the underground service lateral and labor costs of removal of existing overhead service drop.

Underground Primary Service

- 1. When a member requires the extension of the Cooperative's primary service underground on private property, the Cooperative will furnish and install or cause to be installed said primary facilities. The member will contribute to the Cooperative an amount equal to the estimated cost of the underground primary, including transformer and protective devices. Primary extensions are also subject to the provisions of the distribution line extension policy. A written, recorded easement will be required for underground facilities located on private property for underground service.
- 2. If the member elects to own the transformer, the Cooperative will provide the underground primary as per the line extension policy exclusive of any cost difference considerations for the transformer to be owned by the applicant. Member-owned transformers must conform to the Cooperative specifications for similar equipment. The member will be responsible for maintenance and replacement costs of the transformer.
 - a. If a primary distribution is installed, the applicant will install, own, and maintain all secondary distribution from the transformer to service entrance.
 - b. Member-owned transformers must be part of a primary metered facility.
- 3. Metering location will be at the option of the Cooperative. Member or member's representative should consult with the Cooperative regarding this matter before finalizing of plans.

Commercial and Industrial Underground

Electric facilities will be installed underground from the Cooperative's overhead distribution system, provided:

- 1. The member applies for such underground service and agrees to pay the difference in the installed cost of the higher investment of the underground system and the standard conventional overhead system.
- 2. The member may decide to pay a portion of the excess cost of the underground system by performing certain work.
- 3. The member also provides written evidence of consent for filing of record an instrument locating the easement for underground conductor, transformer, and service lines on private property.

Service to Mobile Home Parks

Subject to the following conditions, the Cooperative will supply electric service to points of delivery on the premises of a member, as an owner of a permanent mobile home park, for the operation of an area prepared and developed specifically to offer accommodations to occupants of residential mobile homes.

Relocation of the Cooperative owned lines after the initial installation of the electric distribution system will be at the expense of the mobile home park owner. The mobile home park owner will furnish a plat to scale showing lots by number or address, location of drives, other utility services, and electric distribution system. The member will sign such a plat to avoid any misunderstanding.

1. General Conditions

a. The Cooperative will install, own and maintain the distribution facilities to all permanent mobile homes and common use facilities within the court, under the Cooperative's Rules and Regulations relating to extensions provided the court

owner has furnished satisfactory easements along a mutually agreed upon the route of the distribution system within the court.

- b. Meter locations will be banked or clustered unless special arrangements are made between the Cooperative and the member.
- c. The court owner will install, own and maintain the service terminals at each service location in accordance with all applicable regulations.
- d. The court owner will install, own and maintain such electric circuits as required within the court to meter all common use facilities.
- e. The court owner shall make provisions for service through a separate meter for each mobile home location under the rate schedule applicable.
- f. On courts presently served at the property line, and where the owner has furnished all facilities from the property line to the point of service, the Cooperative will not be obligated to maintain, purchase or assume ownership of any equipment or facilities.
- 2. Underground Service

Underground distribution may be contracted for in mobile home parks by meeting the general provisions of the Rules and Regulations covering residential underground distribution.

Mobile home parks with three or more spaces will be served with underground single-phase primary to transformer providing 120/240-volt secondary service under the following conditions:

- a. The court owner agrees to the installation of apad-mounted transformer and metering at mutually agreeable locations.
- b. The court owner provides utility easements for all the Cooperative underground services on private property and written evidence of consent to file the record, an instrument locating the easement.
- c. The court owner agrees to dedicate the park and any extensions thereof, to underground electric service.
- d. The Cooperative deems the installation of the underground system that conforms to RUS construction standards, policies, and sound engineering practices.

METERING

Point of Delivery

- 1. The point of delivery at which electric energy is furnished to the member will be at the Cooperative's meter on the member's premises unless the point of delivery is otherwise defined by agreement between the Cooperative and member.
- 2. The Cooperative assumes no responsibility for damages incurred beyond the point where ownership of facilities changes unless such damages are found to be a result of the Cooperative negligence.
- 3. Meters and meter loops may be located and attached to the physical building/dwelling or on a service pole. The location and type are to be determined and approved by the Cooperative before construction.

Outside Meter Installations

- 1. Only one service lateral will be available to a member's premises, not divided by firewall construction. Exceptions may be made where a member requires service of different voltage characteristics.
- 2. The Cooperative and the member will determine the service connection's type of construction and route.
- 3. One-hundred- and 200-Amp meter enclosures are available for sale through the Cooperative.
- 4. Services will not run from building to building.
- 5. The minimum service entrance and service equipment shall be single-phase, three-wire, 100 amperes. A variation will be permitted after the prospective member assures the Cooperative that a smaller service is adequate, and the service will be supplying a total load of less than 3,000 watts (such as fence chargers, signs, and signal lights).
- 6. Meters shall be located at the height of 5 to 6 feet above the finished grade.
- 7. Upon consultation with the Cooperative, the member may furnish, install, own and maintain all service entrance conductors, mounting equipment, switches, circuit breakers, and service equipment. Metering equipment physically attached to the member's premise is owned by the member and regulated by the National Electric Code (NEC).
- 8. At the Cooperative's discretion, the Cooperative may furnish, own and maintain meters and metering facilities to measure the energy, demand, or other parameters required by the rate tariff.
- 9. If changes that involve the replacement or relocation of entrance wires, entrance switches, etc., are to be made in existing wiring installations, outside metering installations shall be provided at the member's expense in accordance with the Cooperative's standards.
- 10. The Cooperative may discontinue service to a member and remove its facilities from the member's premises, without notice, if the evidence is found that any portion of the

Cooperative's facilities has been tampered with in such a manner that the member may have received unmetered service. In such event, the member shall be required to bear all costs incurred by the Cooperative for such alteration and such protective equipment as, in the judgment of the Cooperative, may be necessary.

Single Metering of a Multi-Building Operation

Members operating a single enterprise under one ownership and management where the property is contiguous and not intersected by public property subject to the jurisdiction of a municipality or other tax-supported public agency may arrange for metering at a single point of delivery. For safety purposes, crossing public property to accommodate a segmented portion of the member's electrical requirements is unacceptable.

Inside Metering Installations

Inside metering installations are not allowed. All meter locations must be accessible in the event of an emergency.

Multi-Metering Installations

Where more than one member occupies buildings or premises, the Cooperative will set as many meters as there are separate service applications and connect the meters to one or more sets of service wires. Building wiring shall be arranged to permit the installation of the Cooperative's meters adjacent to each other where practical.

Meter Seals

The Cooperative will place seals on all meters or meter enclosures, and such seals shall not be broken or disturbed by anyone other than an authorized representative of the Cooperative.

Accuracy and Tests

The accuracy and testing of the Cooperative's meters shall be in accordance with industry best practices and manufacturers' recommendations for electronic metering. For billing disputes, if the Cooperative deems it necessary to test the meter for accuracy, the Cooperative will send the meter to the manufacturer for testing. If the member demands the meter be tested and the manufacturer finds no inaccuracies, the member will pay expenses related to the meter testing process.

Members' Wiring Installation

- 1. All service entrance wires hereafter installed shall be so located that the point of attachment for The Cooperative's service wires shall be not less than (12) feet or more than (25) feet above the ground line, except that the Cooperative may designate a special case point of attachment.
- 2. All services, appliances, and appurtenances hereafter installed by the member shall be of

types approved by the state and municipal codes insofar as they apply.

3. Service entrance wires at the service end of conduit or cable shall be protected with a weatherproof head so installed that the extended wires will slope downward to prevent the entrance of moisture and located that service wires will be at least 24 inches from other

wires, downspouts, eavestroughs, etc.and will not be within reach of windows, porches, porch roofs, balconies or other easily accessible parts of the building.

4. Such service entrance wires shall extend at least (3) feet beyond the weatherproof head on the conduit or cable and be so located as to be convenient for the attachment of the Cooperative's service wires.

Member Compliance with NEC

Service entrance, switch boxes, service cabinets, switches, fuse blocks, meter bases or sockets, conduit, wiring, connections, and other equipment and the installation thereof for the reception and control of electric energy delivered to the member shall meet the requirements of National Electrical Code, and comply with the state, county, and municipal codes as applicable.

All temporary emergency generators shall be equipped with a double throw safety switch that isolates the member's wiring from the utility system.

Protection of Equipment on Member Premises

- 1. All meters, transformers, wires, regulators, and other equipment installed by the Cooperative at its own expense is the property of the Cooperative. Under no circumstances shall any person not representing the Cooperative connect or disconnect any meter, connect to a meter or disturb any wiring or service line between the meter and the Cooperative's distribution system.
- 2. Any infraction of this rule may be considered cause for discontinuance of service.
- 3. If the meters or other equipment belonging to the Cooperative is damaged or destroyed due to negligence or misuse by the member or by any member of their family, or by any officer, agent, or employee of a member, then the cost of necessary repairs or replacements shall be paid by the member.
- 4. An authorized agent of the Cooperative shall turn on electricity if it conforms to the Cooperative specifications and is approved by the state, county, or municipal electrical inspectors.

Access to Member's Premise

A Cooperative representative shall have free access to the premises of the member at all reasonable hours to read the meter, inspect the metering equipment, and all other equipment relating to the Cooperative's service or for making the necessary repairs, tests to its equipment, or for removing the meter and equipment.

Master Metering

Master metering is prohibited for all new installations. Sub-Metering or Deduct metering for oil well installations will be determined on a case-by-case basis.

LIGHTING

Outside LED lighting services are offered at an unmetered rate where a secondary voltage from the cooperative is present. See Lighting Tariff for sizes and rates.

DISTRIBUTED GENERATION

The term "generator" is a generic term used to represent a variety of self-generating or renewable energy technologies, including but not limited to solar, wind, fuel cell, small power generators, and battery storage. "Distributed generation" refers to generation sources of electric energy interconnected to the Cooperative's distribution system.

For members who are interested in interconnecting their power generation equipment with the Cooperative's electric distribution system, the Cooperative's staff is available to work with them to ensure their generation equipment is installed properly and safely and in accordance with all applicable codes, standards, regulations, laws and insurance requirements. Members may also need to coordinate their system installation, inspection, and approval with the local code inspection authority.

Such generators shall be appropriately sized for such member's anticipated electric load.

In addition, the Cooperative may limit the number and size of renewable generators to be connected to the Cooperative's system due to the capacity of the distribution line to which the renewable generator would be connected.

The Cooperative will supply, own and maintain all necessary meters and associated equipment utilized for billing. The Cooperative may install, own and maintain a disconnecting device located near the electric meter or meters.

The member shall supply, install, operate, and maintain any control and protective equipment (relays, locks and seals, breakers, etc.) required by the Cooperative to operate a generator in parallel with the Cooperative's system. Upon notification by the member of the member's intent to construct and install parallel generation, the Cooperative shall provide a written estimate of all costs incurred by the Cooperative and bill to the member to accommodate the interconnection.

The Cooperative will provide additional information and guidelines to assist members in the planning, installing, and operating of distributed generation systems.

The application and approval process is as follows:

- 1. Review the Member Requirements for Installation and Interconnection of Distributed Generation Systems.
- 2. Complete the appropriate parts of the Application for Operation of Member-Owned Distributed Generation Systems and submit the completed application to The Cooperative.

- 3. Once the Cooperative has approved the application, complete the Interconnection Agreement, and submit it to the Cooperative.
- 4. The Cooperative will notify the applicant once the interconnection agreement has been approved.
- 5. The Cooperative will inspect the applicant's installation prior to authorizing to interconnect to the Cooperative's distribution system.
- 6. Applicants will also be required to provide proof of liability insurance before interconnecting to the generating system.

The Cooperative staff will work closely with the applicant to ensure the interconnection process goes as smoothly as possible. More information can be found at <u>www.westerncoop.com</u>.

Requirements for Installation

The Cooperative is available to assist members interested in installing and interconnecting their own distributed generation equipment with the Cooperative's electric distribution facilities. The following are requirements for the equipment and installation necessary to assure the compatible operation of distributed generation systems to be operated in parallel with The Cooperative's distribution system. Power generation systems larger than 200 kW or qualifying facilities (QF's) are required to meet the interconnection requirements of The Cooperative's wholesale power supplier, Sunflower Electric Power Corporation.

Application Process for Distributed Generation Systems

- 1. Complete Parts 1 and 2 of Application for Operation of Member-Owned Distributed Generation Systems.
- 2. The Cooperative will examine the application and planned installation for the sole purpose of assuring the safety of the distribution system and facilities, members, and employees. The Cooperative may disapprove the application and planned installation in whole, or in part, to the extent, the planned installation does not adequately assure the safety of the Cooperative's distribution system, facilities, members, and employees, or causes the Cooperative to violate existing agreements with its wholesale supplier.
- 3. Upon approval of the application, the member will be required to sign an *Interconnection Agreement*. If, after approval of the application, any changes are made to the planned installation, the member shall be required to provide the Cooperative with documentation showing the proposed changes and obtain re-approval.

Interconnection Contract

For distributed generation systems, the provided *Interconnection Contract* must be completed and executed by the member and submitted to the Cooperative for approval prior to installation.

Safety and Equipment Requirements

1. The distributed generation system installation must comply with the requirements of the current

National Electric Code (NEC), National Electric Safety Code (NESC), IEEE 1547 Standard,

other applicable national, state, and local codes and ordinances, and The Cooperative's Rules and Regulations.

2. The member shall furnish and install at the distributed generation system's interface with the Cooperative's facilities a manually operated safety disconnect device with load break

capability. This device shall have a visible open circuit clearance, shall always be accessible to the Cooperative employees, and shall be secured with a padlock provided by the Cooperative.

- 3. The member's installation shall include protection that is compatible and coordinates with the Cooperative's system protection so that faults on the member's system do not cause outages or disturbances to the Cooperative's system.
- 4. The member's installation shall include protection capable of sensing any fault or outage on the interconnection and must isolate the Member's power system from the Cooperative's system and other members.
- 5. The member is responsible for protecting their distributed generation system from faults and other disturbances on the Cooperative's system.
- 6. The installation must include an inverter that meets the requirements of IEEE 929, "Recommended Practice for Utility Interface of Photovoltaic (PV) Systems" and Underwriters Laboratories (UL) 1741, and "Standard for Static Inverters and Charge controllers for Use in Photovoltaic Power Systems." Adherence to these standards ensures:
 - a. fixed voltage and frequency trip settings;
 - b. an integral anti-islanding scheme; and
 - c. total harmonic current distortion less than 5% of the fundamental frequency current at the rated inverter output.

Parallel Operation and Inspection

- 1. The member shall be responsible for operating the distributed generation system and all associated facilities except as hereafter specified. The member shall maintain the distributed generation system in synchronization with the Cooperative's distribution system.
- 2. The member shall be responsible for installing, maintaining, and operating all generating equipment and facilities installed at the site. Such equipment and facilities shall include but are not limited to:
 - a. protective equipment between the distributed system and the Cooperative's system, and
 - b. all necessary control equipment to synchronize frequency and voltage between the two systems. The distributed generation system's voltage at the interconnection point will be the same as the Cooperative's system voltage.
- 3. If the Cooperative is required to construct facilities different than otherwise would be required

to permit interconnection, the member shall pay the additional cost of facilities.

- 4. The Member shall designate a specific person for the purpose of contact and communication with the Cooperative regarding the operation of the distributed generation system.
- 5. The Cooperative will have the continuing right to inspect and approve the member's distributed generation system and to request and witness any tests necessary to determine that

such facilities are installed and operating properly. However, the Cooperative will have no obligation to inspect or approve the distributed generation system or request or witness tests. The Cooperative will not in any manner be responsible for the operation of the distributed generation system.

6. The Cooperative reserves the right to curtail purchases from the distributed generation system when the Cooperative has a system emergency and purchases would or could contribute to such emergency.

Indemnification and Liability Insurance Requirements

- 1. The member assumes all responsibility for the electric service upon member's premises at and from the point of any delivery or flow of electricity from the Cooperative, and for the wires and equipment used in connection therewith; and the member will protect and save the Cooperative harmless from all claims for injury or damage to persons or property, including but not limited to the property of the member, occurring on or about member's premises or at and from the point of delivery or flow of electricity from the Cooperative, occasioned by such electricity or said wires and equipment, except where said injury or damage is proven to have been caused solely by the negligence of the Cooperative.
- 2. The member will:
 - a. pay the Cooperative for all damages to the Cooperative's equipment, facilities, or distribution system, and
 - b. save and hold the Cooperative harmless from all claims, demands and liabilities of every kind and nature for injury or damage to, or death of, persons and/or property of others, including costs and expenses of defending against the same, arising in any manner in connection with member's distributed generation system or the operation thereof.
- 3. The member, at their own expense, shall secure and maintain in effect while interconnected to the Cooperative's distribution system liability insurance with a combined single limit for bodily injury and property damage of not less than \$100,000.
- 4. A certificate of insurance evidencing the requisite coverage shall be provided to the Cooperative prior to interconnecting to the Cooperative's distribution system. The Cooperative shall be permitted to periodically obtain proof of current insurance coverage from the member in order to verify proper liability insurance coverage. The member will not be allowed to commence or continue interconnected operations unless evidence is provided that sufficient insurance coverage is in effect.

Net Billing or Parallel Generation Rates and Procedures

1. The Cooperative will utilize a net-billing or parallel generation metering process for all distributed generation systems that interconnect with the Cooperative's system. The Cooperative will provide and maintain all metering equipment necessary to implement billing per the applicable tariff.