



RULES AND REGULATIONS FOR ELECTRIC SERVICE

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 entire 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 Jan 1, 2020

By Tom Ruth General Manager

Attested Richard Schaus, Western Cooperative Electric Board of Trustees

By Richard Schaus Secretary

Western Cooperative Electric Association, Inc.

Rules and Regulations

Table of Contents

| | |
|---|----|
| GENERAL | 5 |
| DEFINITION OF TERMS | 6 |
| CHARACTER OF SERVICE | 9 |
| RATE APPLICATION | 10 |
| Standard Rate Schedules | 12 |
| APPLICATION FOR SERVICE AND AGREEMENTS | 12 |
| Application by Member | 12 |
| Additional Provisions | 14 |
| Rates | 14 |
| Term of Contract | 14 |
| Temporary Service | 14 |
| CREDIT AND SECURITY DEPOSIT REGULATIONS | 15 |
| Residential | 15 |
| Non-Residential | 17 |
| BILLING AND PAYMENT | 17 |
| Payment of Bills | 17 |
| Contents of Bill | 17 |
| Cash Payment | 19 |
| Returned Payment Charge | 19 |
| Tax Adjustment | 19 |
| Energy Cost Adjustment | 20 |
| Residential Budget Payment Plan | 21 |
| Delinquent Bills | 21 |
| Default | 22 |
| PrePayPOWER | 22 |
| Cold Weather Rule | 23 |
| Reselling or Redistributing Service | 23 |
| COLLECTION AND DISCONNECT POLICY | 24 |
| DIVERSION | 25 |

Western Cooperative Electric Association, Inc.

Rules and Regulations

| | |
|--|----|
| MEMBER’S SERVICE OBLIGATIONS..... | 27 |
| Member to Furnish Right-of-Way (Easement)..... | 27 |
| Electrical Inspections | 27 |
| Defective Member Equipment | 27 |
| Construction or Uses Affecting Company’s Equipment | 27 |
| Liability Provisions | 28 |
| Parallel Operation..... | 28 |
| Service Entrance Equipment | 29 |
| DISTRIBUTION LINE EXTENSION POLICY | 33 |
| Purpose | 33 |
| Definition of Terms | 33 |
| General Provisions | 34 |
| Extension Origin and Route | 36 |
| Permanent Service..... | 36 |
| Indeterminate Service..... | 37 |
| Temporary Service | 37 |
| Extension Upgrade – Non-Residential | 37 |
| Facilities Upgrade | 37 |
| Relocation or Conversion Request | 37 |
| Excess Facilities Request | 38 |
| Member’s Guarantee | 38 |
| Applicability Limitation | 38 |
| Calculation and Payment of Refunds | 38 |
| Line Extension Costs..... | 39 |
| Construction Allowance..... | 39 |
| Underground and Overhead Service | 41 |
| METERING | 44 |
| Point of Delivery | 44 |
| Outside Meter Installations | 45 |
| Single Metering of a Multi-Building Operation..... | 45 |
| Inside Metering Installations..... | 46 |

Western Cooperative Electric Association, Inc.

Rules and Regulations

| | |
|--|----|
| Multi-Metering Installations | 46 |
| Meter Seals | 46 |
| Accuracy and Tests | 46 |
| Members' Wiring Installation | 46 |
| Member Compliance with NEC | 47 |
| Protection of Equipment on Member Premises | 47 |
| Access to Member's Premise | 47 |
| Master Metering | 47 |
| DISTRIBUTED GENERATION | 48 |
| Requirements for Installation | 49 |

Western Cooperative Electric Association, Inc.

Rules and Regulations

GENERAL

The following rules and regulations, as approved by Western Cooperative Electric's Board of Trustees, as a part of the electric tariff of Western Cooperative Electric, hereafter known as "Company," 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 Company's Board of Trustees. Service furnished by the Company is also subject to the Rules and Regulations and the National Electrical Safety Code.

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

No agent, representative or employee of the Company shall have authority to waive or modify the Rules and Regulations as stated herein, but the Company 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 Company 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 Company therefore in accordance with the applicable rate schedules and Rules and Regulations. Each person of full legal age who resides at the premises to which service is delivered shall be deemed to receive benefit of service supplied and shall be liable to the Company 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 Company. The Company is obligated to pursue reasonable and timely efforts to effect payment by or collections from applicant or member of record.

Western Cooperative Electric Association, Inc.

Rules and Regulations

DEFINITION OF TERMS

“Agricultural Service” as used herein is limited to the cultivation, production or processing of crops and does not include livestock feeding, livestock processing or associated feed processing which is 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.

“Company” means The 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 Company pursuant to these regulations.

“Member” is an individual or individuals, association, firm or corporation making application for Company's service.

“Member's Installation” means all electric wires, cut outs, switches and electric apparatus of every kind and nature, except Company 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 Company.

“Contribution in Aid to Construction” (CIAC) is a non-refundable contribution which 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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

“Electric Service” is the maintenance by the Company, up to the ‘point of delivery’ of electric energy available for use by a member in accordance with the member’s application.

“Idle Service” means the Company’s facilities to any premises that become idle, using no electric energy for a period greater than 6 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 Company, Sunflower Electric Power Corporation, and the member-generator agree to interconnect a ‘qualifying facility’ to Company’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 Company’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 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 Company and the electricity the member produces when using its own generating source.

“Past Due” is the point at which the Company 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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

“Point of Delivery” means the location where Company's electric facilities are first connected to the electric facilities of the member. The location of the ‘point of delivery’ will be determined by Company 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 and all 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 Company's meter.

“Service Lateral” means the secondary overhead or underground electric circuit and associated facilities located between Company’s distribution line and the ‘point of delivery’ to 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 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 5 years and shall commence with the in-service date of construction. During this period, the Company 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 Company’s system at or beyond the point of interconnection. Upgrades do not include interconnection facilities.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 Company 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 Company 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 member from Company'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 Company.
 - b. Underground service laterals from Company'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 Company without written notice to and written permission from the Company.
5. The Company'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 Company's individual meters and 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 Company 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 Company may after an investigation make such exception.
8. The Company 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 Company's control, the Company shall not be liable for damage resulting from such interruption or failure.

Western Cooperative Electric Association, Inc.

Rules and Regulations

RATE APPLICATION

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

1. The **Residential Service Rate (RS-20)** applies to service for the individual member for domestic purposes in a private home or individual living unit where only one household is served through a single meter. Service to out-buildings such as garages and barns used in connection with the residence may also be served through the residential meter.
2. The **Residential Service Electric Heat Rate (RS-EH-20)** applies to residential homes that utilize permanently-wired electric heating of a capacity greater than 3 kW and total load not to exceed 50 kVA. Heat pumps are eligible for this rate.
3. The **General Service Small Rate (GSS-20)** is non-demand, single-phase or three-phase, applies to electric service for small commercial, agricultural, small industrial and institutional members where load characteristics are less than 20 kW.
4. The **General Service Medium Rate (GSM-20)** demand, single-phase or three-phase, applies to electric service for small commercial, agricultural, small industrial and institutional members where load characteristics are 20-250 kW.
5. The **General Service Large Rate (GSL-20)** applies to all classes of large commercial, industrial, and institutional members whose load characteristics are > 250 kW demand. There is a minimum demand requirement.
6. **General Service Large Primary Rate (GSL-20)**. If service is furnished at primary voltage with member owning the transformer and equipment serving the installation, the rate provision of the net monthly bill, excluding the energy cost adjustment clause, will be discounted 2%.
7. The **Irrigation Rate (I-20)** applies to service for water pumping and other equipment or devices that support pumping operations for irrigation. Service under this schedule shall be under contract for an initial period of 5 years.
8. The **Private Area and Street Lighting Rate (L-20)** applies to electric service for lighting private areas and grounds, for protective and safety purposes, electric service for street, alley, park and highway lighting provided by municipalities or other governmental authorities, school districts, subdivisions, commercial businesses and unincorporated communities.
9. **Temporary Service Rate (TSS-20)** is applicable for members desiring service for a shorter period than 1 year. This may be obtained under the schedule of rates for electric service of the Company by depositing with the Company, in advance of construction, a non-refundable sum equal to the actual cost (excluding transformer and meter costs) to install the connection and

Western Cooperative Electric Association, Inc.

Rules and Regulations

the estimated removal costs upon termination of service. This schedule is available for fairs, carnivals, picnics, and other purposes where service is required for temporary service.

10. **Combined Residential and Commercial Service:** Where both residential and commercial classes of service are supplied through a single meter, such combined service shall be classified under the applicable commercial rate and billed at the commercial rate. The member may arrange his/her wiring to separate the commercial service from the residential service, in which event 2 meters will be installed by the Company and separate residential and commercial rates will be billed to the respective classes of service.
11. **Net Metering Tariff (NEM-20)** Net metering service is available under this rider at points on the Company's existing electric distribution system for members operating renewable energy resources. The net metering rate applies to those members desiring to self-generate with a parallel connection with the Company.
12. **Prepay Metering Rate (19-PRS)** will apply only to 120/240-volt residential members who desire service but wish to defer paying a deposit, if required.
13. **Water Pumping Service Rate (WP-20)** is available for municipal water pumping service.
14. **Sub-Transmission and Transmission Service (19-STR):** For all electric service of a single character supplied at 1 point of delivery at a voltage of 34.5 kilovolts or above, and who have the necessary interval metering installed. At a minimum, a member requesting service under the sub-transmission level service shall have an average summer demand of at least 500 kW, and under the transmission level shall have an average summer demand of 1,000 kW. This schedule is not applicable to temporary, breakdown, standby, supplementary, resale or shared service.
15. **Energy Cost Adjustment (ECA):** The energy cost adjustment, ECA, reflects the increases/decreases in Company'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 for generation. The cost is collected from the Company's members through the ECA.
16. **Parallel Generation Tariff (PG-20):** Parallel generation was implemented in response to the federal Public Utility Regulatory Policy Act of 1978 (PURPA), which required utilities to purchase excess power from grid-connected small renewable energy systems at a rate of what it costs the utility to produce or purchase power.
17. **Qualifying Facility (QF):** Qualifying facility (QF) status is awarded to a small power producer or energy generator, which meets the criteria established by the Federal Energy Regulatory Commission (FERC). A generating facility of 80 MW or less is known as a small power production facility, which utilizes renewable energy such as solar, wind, and hydro as its primary energy source.
18. **Local Access Delivery Service (LADS):** Under the provisions of the LADS tariff, Company assesses a monthly demand rate, sometimes referred to as Local Access Charge (LAC), on its wholesale customers taking service through the Company's 34.5kV facilities (third party users).

Western Cooperative Electric Association, Inc.

Rules and Regulations

Standard Rate Schedules

For detailed tariff descriptions, please refer to the Company's tariffs with the effective date of January 1, 2020. These tariffs can be found online or requested through the main office.

| | | |
|---|-----------|--------------------------------------|
| Residential Service | RS-20 | Residential & Domestic Use |
| Residential Service Electric Heat | RS-EH-20 | Residential |
| PrePay POWER | 19-PRS | Pay as you go service, no deposit |
| General Service Small (GSS) | GSS-20 | Commercial < 20 kW |
| General Service Medium (GSM) | GSM-20 | Commercial 20-250 kW |
| General Service Large (GSL) | GSL-20 | Commercial > 250 kW |
| General Service Large Primary (GSL) | GSL-20 | Commercial > 250 kW, primary voltage |
| Irrigation | I-20 | Irrigation Service |
| Private Area & Street Lighting | L-20 | Security & Street Lighting |
| Water Pumping Service | WP-20 | Municipal |
| Temporary Service Rate | TSS-20 | temp service < 1 year |
| Net Metering Tariff | NEM-20 | self generation, parallel connection |
| Parallel Generation Tariff | PG-20, QF | self generation, parallel connection |
| Sub-Transmission & Transmission Level Service | 19-STR | 34.5 kV & 115 kV |

APPLICATION FOR SERVICE AND AGREEMENTS

Application by Member

Application for electric service shall be made by member to Company and the Company shall supply the member with service in accordance with rates, rules, terms, regulations and conditions as filed with and approved by the Board of Trustees. Application for electric service shall be made in writing by member to Company on the Company's Standard Agreement for Electric Service and Membership form, although the member may, at the discretion of the Company, be connected based on an oral request. This application becomes an Electric Service Agreement or contract when accepted in writing by the Company, or upon establishment of service. The Company may require a separate Electric Service Agreement for each class of service at the same or at each separate location.

1. The Company may require prospective members to apply for the service desired in person or by telephone and to establish the members' credit. All applications for service shall be made by member and accepted by Company before any service is supplied by Company, and when accepted shall constitute a contract between member and Company, 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 written consent of the Company.
2. All applications for service shall be made in the true name of the person desiring the service. In case of any violation of this provision the Company may discontinue service.

Western Cooperative Electric Association, Inc.

Rules and Regulations

3. All contracts for service shall be for the minimum period specified in the applicable rate schedule and/or the filed Rules and Regulations covering line extensions.
4. A contract for service is not transferable by the member, and new occupants of the premises must make application in either the Company office or by telephone before service will be rendered.
5. Before service is connected, the member, without cost to the Company, shall make or procure conveyance to Company of rights-of-way or easements for suitable location of Company's lines, conduits, transformers or metering equipment on or across lands owned or occupied by member and shall furnish shelter satisfactory to Company for all apparatus of Company located on member's property. Underground primary cable on private property requires a written recorded easement.
6. The point of delivery of electric service furnished by Company 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 Company will be required. A standard service connection as used herein is one which 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 Company'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 Company and available on-line and is open for inspection during regular business hours. An electronic copy of the rates and rules are also found at the company's website www.westerncoop.com. The Company shall elect under which available rate schedule service shall be supplied based on the character of service, voltage required and type of load.
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 2 or more rate schedules applicable to any class of service, the Company will, upon request of member, explain to member rules of service governing the several schedules and will assist the member in the selection of the rate schedule, but the member must designate and be responsible for the selection of the rate schedule so desired, and Company assumes no liability.
10. Where 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 request in writing from the member, but such a change will not be permitted more often than once every 12 months. If the Company elects to change the rate, the member must demonstrate their load meets the requirements of the tariff over a period of 12 months.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Additional Provisions

Electric service shall be supplied to the member under the provisions of the member's Electric Service Agreement, the Company's applicable rate schedules, all Rules and Regulations in effect 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 Company, 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 Company's principal place of business or online.

Term of Contract

Unless otherwise specified, Electric Service Agreements shall be effective for an initial period of 1 year commencing on the date that service is made available to the member. When justified by the service requirements, the Company 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. Service shall be continued after the expiration of the initial contractual period until canceled by the member upon proper notice to the Company.

Temporary Service

1. Additional Charge: Temporary service shall be supplied in accordance with 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 in accordance with 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 Company, 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 is to take place on any premises supplied with electric service by Company, the outgoing member shall give either written or oral notice to Company. The outgoing member shall be held responsible for payment of all electric energy recorded by the meter until the requested time of termination.

Western Cooperative Electric Association, Inc.

Rules and Regulations

CREDIT AND SECURITY DEPOSIT REGULATIONS

The Company may request the member to provide reasonable credit information before service is made available. No deposit shall be required by Company 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 Company 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 5 days written notice to the member's last known address, the Company may require a new or modified deposit to guarantee payment of bills for utility service provided if:

1. The member has 2 late payments in the past 12 months.
2. The member has tendered 2 or more insufficient funds payments in the last 12 months.
3. The member has filed for bankruptcy in the last 7 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 original member service contract and all payment plans are fulfilled.

Residential

Company may require at least one form of positive identification from residential members who have not previously had service with the Company. Acceptable forms of positive identification include social security number (but not required), driver's license, other photo identification, or birth certificate. Company 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.

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

1. Company establishes that the member has an unsatisfactory credit rating, based on internal bill payment history or payment history with another utility, or has an insufficient prior credit history upon which a credit rating may be based.
2. The member has an outstanding unpaid service account which accrued within the last 7 years.
3. The member has, in an unauthorized manner, interfered with, diverted or used unlawfully (such as meter bypass) the service of a utility within the last 5 years.
4. The member refuses to provide prior bill payment history or does not give permission to Company to obtain credit history. In this case, the maximum deposit will be charged.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Residential deposits will be calculated as follows:

1. 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 Company. 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 Company, the amount of the deposit will be as below:
 - a. If the member has 1 or less late payments, no deposit will be required.
 - b. If the member has 2 late payments in the past 12 months, the deposit will be 2 months average bill.
 - c. If the member has 3 or more late payments, the deposit will be 4 months average.
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 50% of deposit prior to connection, followed by 25% increments on each of 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 full deposit amount, as it may be recalculated following the default before service can be reconnected.
6. Upon termination of service, Company 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. When a prepay plan is available for a location, a member may opt to use prepay in lieu of a deposit.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Non-Residential

For non-residential applicants, the Company may require the name of the person(s) responsible for payment of the account and at least one form of positive 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. If history is available, the deposit amount will be based on the two largest bills in the last 12 months. If no history is available, the deposit amount will be based on two months projected bills. Service may be terminated for non-payment of deposit following written notification.
3. No deposit will be refunded until original contract is fulfilled.
4. Deposits under the amount of \$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 original contract is fulfilled. Deposits of \$2,000 and greater will be retained for the duration of service.
5. Amounts of non-residential deposits may be reviewed and amount adjusted, at the request of the member, or at the discretion of the Company, 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 Company 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 to be paperless and receive communications of bill amount by text, email or use of eBusiness (Ebiz); however, the non-receipt of a bill by a member shall not release or diminish the obligation of the member with respect to the full payment thereof, including penalties and interest.

Contents of Bill

1. Company shall normally bill each member each billing period in accordance with 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:

Western Cooperative Electric Association, Inc.

Rules and Regulations

- a. the beginning and ending meter registration for the reading period, except that estimated billings shall disclose that it is based on estimated usage;
 - b. the date of the meter reading and the date of the bill;
 - c. the final date by which a payment can be received before a delinquency charge is imposed;
 - d. the actual or estimated usage during the billing period;
 - e. the amount due for prompt payment and the amount due after delinquency in payment;
 - f. 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 Company and the identification of the person or office where a member may report a disputed bill, make an inquiry concerning a bill, delinquency or termination of service, or otherwise express a concern.
2. Company 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 specifically regulated by the Commission. If the member makes a partial payment for the total bill, the Company 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 cumulative actual usage, in dollars, to date.
4. The member's bill shall also show any adjustment to previous billings based on estimated usage or member meter readings after actual usage has been determined from a meter reading by the Company. The adjustment shall be calculated for a period between the last valid meter reading and the most recent meter reading. If the adjustment shows a net balance due, the member shall be given the opportunity, if requested, to pay the additional charges in equal installments over a period equal to the adjusted billing period. If a net balance is due the member, the member shall be given either a credit on subsequent bills or a refund, if the overpayment exceeds \$10 and a refund is requested.

Western Cooperative Electric Association, Inc.

Rules and Regulations

5. If the member is paying down an arrearage under the Cold Weather Rule or other payment plan, those monthly amounts shall be printed on the bill and clearly labeled.
6. Meter Reading Periods: Unless otherwise provided in the rate schedules, meters shall be read at intervals approximating the billing period. Company reserves the right to adopt a plan dividing territory served into districts and of reading meters in each district at a selected time.
7. Estimated Usage: Company may render a bill with an estimated reading, disclosing on the bill that it is estimated. This may be necessary due to equipment failure, a new service prior to connection of member's equipment and other reasons determined by Company.

Cash Payment

The Company may require the member to make payments by cash, certified checks or money orders. Company shall give 7 days' notice to the member whenever checks shall no longer be accepted for payment of bills.

Returned Payment Charge

The Company 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 Company, the amounts thereof insofar as practical, shall be charged on a prorate basis to all members receiving electric service from the Company 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 so imposed shall be added as a separate charge to member's bill for electric service.

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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Energy Cost Adjustment

1. The Energy Cost Adjustment (ECA) reflects the increases/decreases in Company'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; usually highest in the summer and lowest in the winter. The ECA is based on the amount of electricity used. If usage is reduced, the ECA kWh's bill will also be reduced. 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 Company calculates the ECA amount by using the following formula:

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

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. Company'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 Company to pass those costs through to the members making it possible for Company to recover all its wholesale power costs. Similarly, if the cost of power decreases, the ECA also decreases.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Residential Budget Payment Plan

Availability

This plan is available to members receiving service from the Company. Such members may elect to be billed, and must pay for, all electric service provided by Company in accordance with the terms and provisions of Company's budget payment plan. The purpose of the budget payment plan is to levelized, insofar as possible, the amount a member is required to pay monthly over a year's period.

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;
3. that failure to pay any monthly installment on or before the delinquent date shall be cause for termination by Company of the budget payment plan with respect to member, in addition to other remedies permitted by these Rules and Regulations;
4. that if the budget payment plan is terminated, any amount or amounts payable by or due to 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 Company and the monthly installment payment shall be revised if it appears at any time on review that the debit or credit balance at the end of the contract period shall substantially exceed the estimate; and
7. that 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 current settlement before the start of the next contract period.

Delinquent Bills

1. Bills for electric service shall be deemed delinquent if payment thereof is not received by the Company, 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 Company shall be initiated.

Western Cooperative Electric Association, Inc.

Rules and Regulations

3. If the last calendar day for remittance falls on a day when the Company'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 the Company under the member's Electric Service Agreement in the full amount due before becoming delinquent shall constitute a default by the member in his or her Electric Service Agreement.
2. The member's obligation to pay the amount due the Company under the member's Electric Service Agreement shall be separate from other obligations and claims between the Company and the member. Failure by the member to pay obligations to and claims by the Company other than amounts due the Company under the member's Electric Service Agreement, shall not constitute a default justifying discontinuance of electric service. Failure of the Company to pay obligations to or claims by the member, or to give the member credit, therefore, shall not justify failure by the member to pay the amount due the Company under the member's Electric Service Agreement nor prevent default by the member.

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 that is 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 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 and there are no due dates, if there is credit on the account.
6. Each member is required to provide the Company 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 Company 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 Company's website at www.westerncoop.com using Ebiz payment portal, calling Company's office or the

Western Cooperative Electric Association, Inc.

Rules and Regulations

afterhours call center at 800-456-6720, or by using the mobile app for iOS and Android phones. The Ebiz portal also allows you to monitor and manage your electric usage. Members can also call the WaKeeney office to check their balance and usage.

8. The Cold Weather Rule is not applicable to prepaid metering.
9. The 21-day medical extension is not applicable to PrePayPOWER. There are no payment plans with PrePayPOWER.

Cold Weather Rule

1. The cold weather period for the Company runs from November 15 to March 15.
2. This policy does not pertain to PrePayPOWER billing accounts.
3. The Company 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 members request.
 - c. The service is abandoned.
 - d. A dangerous condition, as determined by the Company, 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 his or her 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 10-day period after a disconnection notice is sent to the member.

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

Reselling or Redistributing Service

The service furnished is for the sole use of the member; member shall not sell or re-deliver electric service to any other person without the written consent of Company. In case electric energy supplied by the Company to the member is resold without the consent of the Company, service shall be

Western Cooperative Electric Association, Inc.

Rules and Regulations

discontinued after 2 days' notice and shall not be restored until 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 Company billing standards pertaining to collections of past due accounts of the Company. This policy may be altered or changed with approval of the Board of Trustees.
2. After the due date of the bill, as printed on the face of any individual member's bill, a 10-day written notice will be sent to the member at the address of record, which expires 30 days after the written notice date.
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 at least 48 hours prior to disconnection.
4. No sooner than 48 hours after the delinquent bill phone call, disconnection will occur.
 - a. If a crew is dispatched, no personal contact will be attempted before the service is disconnected. Crews are, however, authorized to accept non-cash payments to avoid disconnection, or at time of reconnection.
 - 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 to reconnect the service. Members will need to notify the office when payment arrangements are needed, or payment has been made by any means other than mail.
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. Reconnection will occur within one normal business day of Company's business hours.
7. For a member to qualify for payment arrangements, he/she must:
 - a. Inform Company 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
 - d. Have paid a minimum of 50% of their monthly bill each month during the cold weather period, which runs from November 15 to March 15 each year.
8. Payment arrangements are available up to a maximum of 4 months.
9. In no event will any payment arrangement extend beyond the delinquent notice due date in October of any year.

Western Cooperative Electric Association, Inc.

Rules and Regulations

10. All payment arrangements require the member to pay 50% of outstanding charges upon inception of the arrangement.
11. None of the following constitutes sufficient cause for disconnection:
 - a. The failure to pay for special charges.
 - b. 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, Company may transfer any unpaid balance to any other account held in the member's name.
 - c. In the event of the failure of the member to pay a final bill at any metering point, residence or location, Company 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.
 - d. The failure of a member to pay a bill which is in dispute; provided, however, that the member pays that portion of the bill not in dispute.
 - e. The failure to pay an unpaid service account more than 7 years old.
 - f. Except for discontinuance above, Company shall not disconnect service unless: At the time of the proposed discontinuance, for one hour after discontinuance and on the full work day following discontinuance, Company's office is open or available to the member for the purposes of making pay arrangements preventing discontinuance or obtaining reconnection.
12. This policy does not pertain to accounts using PrePayPOWER.

DIVERSION

1. The Company 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 premises of the member, which would prevent the meter from registering the total amount of electricity used or to be used.
 - b. The Company may elect to remove any electric consuming devices or connections on the line side of the meter itself causing a momentary interruption of service. Such interruption shall not constitute a discontinuance of service and shall not require notice.

Western Cooperative Electric Association, Inc.

Rules and Regulations

- c. If anyone has interfered or tampered with any wires or devices connected with the Company's electric distribution system, thereby making possible the use of electricity at member's premises without the knowledge and consent of the Company.
 - d. If the member, or 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 Company'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 Company'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 Company, 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 Company 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 Company 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 Company 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 Company 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 Company shall not be required to furnish service to the member, or to any one for his/her 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 Company may require, and such other protective devices as will permit the installation of the Company's standard outdoor metering equipment for preventing future irregular diversion of electricity.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 Company at their expense such rights-of-way (including permission to trim or remove any trees that may interfere with the operation of the Company's facilities) as are satisfactory to the Company, across property owned or otherwise controlled by the member, for the construction, operation, and maintenance by the Company 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 Company 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 Company 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 includes, but is not limited to those, which have been found by tests to be causing interference to radio, television, and like electronic equipment used by others. If electric energy is found to be escaping from any wires or equipment in or about member's premises, member shall open the service switch immediately to shut off the flow of electric energy and notify Company at once.

Construction or Uses Affecting Company's Equipment

Member shall consult with the Company before causing or permitting any construction that will affect any of the Company's service facilities or equipment. Member shall not, without written consent of the Company, enclose any exposed portion of service facilities, use any of the poles, wires, structures, or other facilities of the Company for fastening thereto, support, or any purpose whatsoever, nor shall member locate anything in such proximity to the aforesaid facilities of the Company 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 Company for any costs due to a change in the location of meters, service lines or other equipment made at the request of member or necessitated by the member's interference with the Company's facilities. The Company reserves the right to remove, immediately and without notice, any unauthorized attachments to its

Western Cooperative Electric Association, Inc.

Rules and Regulations

facilities. The Company's equipment will be removed or relocated only by employees, agents or authorized representatives of the Company.

Liability Provisions

Interruption of Service

Liability of Member: The Company 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 Company or extraordinary repairs, the Company will not be liable in damages for any such interruption of service.

Emergency Repairs: Company 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 any emergency. In such case, Company 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 has been rendered.

Liability for Leakage and Damage

The Company will not be liable for any loss, damage or injury whatsoever caused by loss of electric energy after energy has passed through the Company's meter herein defined as 'point of delivery,' nor for defects in the member's wiring or appliances.

Liability

Member shall save Company harmless from all claims for trespass, injury to persons, or damage to lawn, trees, shrubs, buildings or other property that may be caused by reason 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 Company or its accredited personnel.

Franchise Obligations

If any rule or regulation herein shall conflict with the provisions of any franchise under which the Company 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 Company, except as may be permitted under a special Electric Service Agreement.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 Company 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 Company with due regard to the effect of such use on the Company's electric service to its other members and on the facilities and equipment of the Company. The Company may refuse to supply electric service or may 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 Company to 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 Company. 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

In order 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 Company 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

Western Cooperative Electric Association, Inc.

Rules and Regulations

Service provided at primary voltages will be supplied where conditions warrant. It is particularly important that the Company be consulted in these cases. The Company will designate the type of service based on the location, size and nature of the proposed load, and its relation to the Company's facilities.

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

Members and contractors contemplating the purchase and/or installation of a welder or any three-phase 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 Company.

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 periods of 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 Company.

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 reduced-voltage 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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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. When starting a motor with a VFD, it 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 volt, 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 volt 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 Company 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 Company, for the protection of meters, transformers, and other apparatus owned by the Company. 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 application to the Company's office.

In no case shall radio, television transmitting or receiving aerials be attached to the Company's poles or cross the Company'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 intermittent flow of large currents sometimes interferes with other users of the electric service. The member shall consult the Company 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 Company.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 part or all the service supply.

Member's Wiring

Where Company'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 Company. Based upon this information, the Company will specify the service voltage and arrangement and guide the member in selection of 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 his or her service switch immediately to shut off the flow of electric energy and notify the Company's office at once. Defective appliances shall be disconnected at once and properly repaired before using again. In case of interruption of service, member shall notify the Company immediately.

Maintenance and Replacement of Services

Company will maintain and replace when necessary all service wires and appurtenances furnished by Company to serve member. Member will maintain and replace when necessary all wires and appurtenances furnished by 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 Company shall charge for all material and labor furnished at member's request in the replacement or repair of member-owned wiring or equipment. The Company shall not charge for any costs of replacements or repairs to equipment furnished and owned by the Company on

Western Cooperative Electric Association, Inc.

Rules and Regulations

member's premises except when damage is due to negligence or misuse of 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 1 or more members request overhead or underground electric service at premises not connected to Company'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 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, which is made by the Company.

Methodology for Calculating Construction Allowance: The methodology used to determine the appropriate construction allowance by service class is based on information taken from the 2019 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 member and which segments are provided by Company at cost to 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 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 Company. All extensions constructed under these rules shall remain the property of the Company

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

Western Cooperative Electric Association, Inc.

Rules and Regulations

Estimated Construction Costs: The estimated construction costs shall be the necessary cost of the distribution extension and 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 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 Company determines that such facilities can be reasonably installed.

Extension Agreement: Written agreement between member and Company 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 in order to predict the revenue stream from member. For purposes of uniform application, indeterminate service may include such service as may be required for the speculative development of 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 time period during which Company shall calculate and pay refunds of construction charges according to the provisions of this extension policy. The Company sets the time period at 5 years, which begins on the extension completion date.

Tap Fee: A proportional share of 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 a 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 to be permanent and where a continuous return to Company of sufficient revenue to support the necessary investment is reasonably assured.

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

General Provisions

1. Company at its sole discretion, after consideration of member's electric requirements, will designate the class of service requested as Permanent, Indeterminate or Temporary in accordance with the definitions set forth herein.
2. The determination of facility type and routing will be made by Company 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 Company's existing facilities in the area.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 Company.
4. Extension agreements will be based upon Company's estimated construction cost for providing the facilities necessary to supply the service requested by member. Company 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, member may, at Company's discretion, 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 Company once approved and accepted by Company.
5. Company 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 Company has the legal right to occupy, and on or along private property across which rights-of-way and easements satisfactory to Company have been received.
6. Company 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 the corporate city limits. Easements are a required part of membership in Company and shall not pay members for easements. Additionally, all costs related to the acquisition of the easement(s) shall be the full responsibility of the applicant. When necessary, Company shall endeavor to use franchise rights from municipality to cover extensions requested but will not undertake to make extensions on streets or alleys not covered by lawful franchise grants.
7. Company shall not be required to construct any extensions of distribution pole lines in any streets or alleys for which the property lines, sidewalk lines and curb lines have not been established by the city, nor on any streets or alleys which have not been previously graded by the city except where, although the street or alley is ungraded, the grade shall have been established and the contour of the ground shall not be more than 6 inches above or below the established grade at the proposed locations of Company's poles.
8. Rights-of-way and easements which are satisfactory to Company, including those as may be required for street lighting, must be furnished by the member in reasonable time to meet construction and service requirements and before Company 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 final grade by member at no charge to Company. Such clearance and grading must be maintained by the member during construction by Company. 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. An additional construction charge shall be paid by the member to Company for any ditching required to be performed by Company 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

Western Cooperative Electric Association, Inc.

Rules and Regulations

estimated trenching and backfilling costs to be incurred by Company 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 increase costs or providing the excavation of rock at no cost to the Company.

10. Meter locations in all instances will be determined by Company and will be located to be accessible.

11. Joint Use

- a. The joint use of the Company'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 Company 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 Company's underground electric facilities is prohibited.

Extension Origin and Route

1. Location of the extension origin, and the route to be followed in the construction of an extension, shall be determined by the Company after due consideration of the engineering, land use and regulatory issues involved, with the objective of providing 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 Company for electric service of a permanent nature to premises requiring extension of Company's existing distribution facilities will be evaluated by Company in order that Company may determine the amount of investment (construction allowance) warranted by Company in making such extension. In the absence of special financing arrangements between the member and Company, the construction charges as specified in the extension agreement shall be paid by the member to Company before Company's construction commences. The construction charges may be refundable in part, or in their entirety, to the original member during the open extension period. The extension agreement, to be executed by member and Company, shall outline the applicable refund mechanism as related to the performance required by member. In no event shall refunds aggregate an amount greater than the construction charges. Refundable construction charges shall not accrue interest. No interest in any potential refunds may be assigned. Member shall be responsible for notifying Company within 6 months' time of qualifying permanent loads connected to Company's system. On a periodic basis, Company 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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Indeterminate Service

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

The Construction Charges will be considered non-refundable unless, at the sole discretion of Company 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 Company, a special contract may be granted to oil and gas producing facilities.

Temporary Service

For electric service of a temporary nature, member shall be required to pay to Company a non-refundable 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 non-salvageable materials. Member shall pay Company before Company's construction commences. This classification does not include temporary meter sets furnished to service a member's construction requirements. Such temporary service is normally a 100 Amp self-contained meter set.

Extension Upgrade – Non-Residential

Where an electric distribution extension upgrade is required to serve a non-residential member's load requirements, the extension agreement between Company 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 normal load increases, the cost of upgrading the transformer will be at Company's expense.

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

Relocation or Conversion Request

A member desiring to have Company's existing overhead facilities installed underground or to have existing overhead or underground facilities relocated may request Company to make such changes. If Company determines that such conversion or relocation can reasonably be made, Company will make such conversion or relocation on the following basis: The cost of removing and relocating such

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 Company chooses to provide facilities at member's request in variance with the Electric Extension Standards, member shall be required to pay Company for the cost of such facilities, and to pay Company 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 cost of removal); 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 Company in special or additional equipment or facilities to serve the member requirements, the Company may require a service agreement to be for an initial term of more than 1 year and a deposit sufficient to secure the Company's investment. If terminated or canceled prior to 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 Company.

Applicability Limitation

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

1. The extension agreement was not timely executed. Company's estimated construction costs and construction charges requirements as calculated for each extension may become void after 120 days from the time a proposed extension agreement is provided by Company to member. If a 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 Company's extension policy as on file and in effect with the Commission at that time.

Calculation and Payment of Refunds

Distribution line extensions requiring member construction payments are subject to refunds during the 5-year period commencing with the extension completion date. No refunds will be made after the 5-year period following the extension completion date and any remaining unrefunded member construction payment becomes permanent and 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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

2. The member(s) who paid for the line extension shall be responsible to request the refund.

Line Extension Costs

Extension Charge

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

Basis of Determining Costs

The estimated construction costs shall be the necessary cost of the distribution extension and 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 size of the connected load. The determination for this portion of costs for the distribution extension will be made by the Company.

The methodology used to determine the appropriate construction allowance by service class is based on data derived from the 2019 cost of service study and will consist of two parts: (1) A service 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-20 | \$ 778 | \$ 1,631 | \$ 2,409 |
| Residential Service - Electric Heat | RS-EH-20 | \$ 778 | \$ 1,631 | \$ 2,409 |

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

Western Cooperative Electric Association, Inc.

Rules and Regulations

Commercial and Industrial Construction Allowance

| Rate Schedule | | Service Lateral \$/kW | Primary Ext. \$/kW |
|----------------------------------|--------|--------------------------|-----------------------|
| Description | Tariff | | |
| General Service Small <20 kW | GSS-20 | \$ 110 | \$ 252 |
| General Service Medium 20-250 kW | GSM-20 | \$ 48 | \$ 214 |
| General Service Large >250 kW | GSL-20 | \$ 9 | \$ 133 |
| Irrigation | I-20 | \$ 62 | \$ 128 |
| Water Pumping Service | WP-20 | \$ 16 | \$ 124 |

For loads > 250 kW, all construction costs will be due prior to 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.

Construction allowance for all rate classes will be determined by the Company. Extremely small non-residential 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 an electric service agreement guaranteeing the monthly amount being financed for a period of either 1 year, if service can be provided from an existing pole, or 5 years if poles are required to extend service. The Company 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 make application for electric service, the Company 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, Company shall refund without interest to the original member an amount not to exceed ½ their original contribution.

Tap Fees

For lines constructed within the past 5 years and paid for by a member, and a different member joins the lines, then a tap fee will be assessed. The tap fee provides compensation to the original

Western Cooperative Electric Association, Inc.

Rules and Regulations

owner that paid for a distribution line up to the point of 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 a period of 5 years, a line is no longer eligible for a rebate.

Underground and Overhead Service

Residential Subdivisions

1. In new residential subdivisions Company 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 Company 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 planning of service to the complete development.
4. The filed plat will clearly indicate dedicated easements for electric facilities. Developers should consult with Company representatives before finalizing these easements. Easements will include provisions for street lighting circuits.
5. Company may, at its option, elect to install a front or rear lot system or any combination thereof.
6. The installation of electric facilities by Company is contingent upon completion of suitable grading of premises. Lot stakes and grade stakes shall be provided along the complete route if present grade is within plus or minus 6 inches of final grade. If not within grade limits, the area shall be brought to final grade prior to installation of electric facilities.
7. If Company 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 Company is required to move any of its facilities after service is being rendered therefrom, the member or other party whose actions causes 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 Company for the necessary services as well as the complete underground electric distribution system, and make an initial deposit with the

Western Cooperative Electric Association, Inc.

Rules and Regulations

Company sufficient to protect its investment in the system. The Company 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 Company's total investment by the number of lots to be served.
- b. Upon request by the developer, the Company will within 120 days following the installation of service on a lot under contract, make a refund of the advance deposit to the developer, 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 home owner the appropriate rate schedule will be applied.

Underground Service Laterals from Existing Overhead Distribution

1. New Services: For all classes of service Company will furnish, install or cause to be installed the underground service lateral to the meter location. The member will contribute to Company an amount equal to the estimated cost of the underground minus applicable member allowances.
2. Replacement Services: For all classes of service Company will replace an existing overhead service drop with an underground service lateral if the member pays Company 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 Company's primary service underground on private property, Company will furnish and install or cause to be installed said primary facilities. The member will contribute to Company 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. For underground service, a written recorded easement will be required for underground facilities located on private property.
2. In the event member elects to own the transformer, Company will provide the underground primary as per the line extension policy exclusive of any cost difference considerations for transformer to be owned by applicant. Member-owned transformers must conform to Company specifications for similar equipment. Member will be responsible for maintenance and replacement costs of the transformer.
 - a. In event primary distribution is installed, applicant will install, own and maintain all secondary distribution from transformer to service entrance.

Western Cooperative Electric Association, Inc.

Rules and Regulations

- b. Member owned transformers must be part of a primary metered facility.
3. Metering location will be at option of Company. Member or member's representative should consult with Company regarding this matter prior to finalizing of plans.

Commercial and Industrial Underground

Electric facilities will be installed underground from the Company'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 Company will supply electric service to points of delivery on the premises of a member, as owner of a permanent mobile home park, for operation of an area prepared and developed specifically to offer accommodations to occupants of residential mobile homes.

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. Such plat will be signed by the member to avoid any misunderstanding. Relocation of Company owned lines after the initial installation of the electric distribution system will be at the expense of the mobile home park owner.

1. General Conditions
 - a. The Company will install, own and maintain the distribution facilities to all permanent mobile homes and common use facilities within the court, in accordance with the Company's Rules and Regulations relating to extensions, provided the court owner has furnished satisfactory easements along a mutually agreed upon route of the distribution system within the court.
 - b. Meter locations will be banked or clustered, unless special arrangements are made between the Company 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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

- 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 Company 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 pad-mounted transformer and metering at mutually agreeable locations.
- b. The court owner provides utility easements for all Company underground service on private property and written evidence of consent for filing of 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 installation of an underground system deemed by the Company to conform 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 member will be at Company's meter on the member's premises, unless the point of delivery is otherwise defined by agreement between Company and member.
- 2. The Company assumes no responsibility for damages incurred beyond the point where ownership of facilities changes, unless such damages are found to be a result of Company 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 to be determined and approved by the Company prior to construction.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Outside Meter Installations

1. Only one service lateral will be made available to a member's premises, not divided by fire wall construction. Exceptions may be made where a member requires service of different voltage characteristics.
2. The type of construction and route of the service connection will be determined by the Company and the member.
3. One-hundred- and 200-Amp meter enclosures are available for sale through the company.
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 only after the prospective member assures the Company 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 a height of 5 feet to 6 feet above the finished grade.
7. Upon consultation with the Company, 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 are owned by the member and regulated by the National Electric Code (NEC).
8. At the Company's discretion, the Company 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 members expense in accordance with Company's standards.
10. The Company may discontinue service to a member and remove its facilities from the member's premises, without notice, in case evidence is found that any portion of the Company'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 Company for such alteration and for such protective equipment as, in the judgment of the Company, 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 of public property to accommodate a segmented portion of the member's electrical requirements is not acceptable.

Western Cooperative Electric Association, Inc.

Rules and Regulations

Inside Metering Installations

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

Multi-Metering Installations

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

Meter Seals

Seals will be placed by Company on all meters or meter enclosures, and such seals shall not be broken or disturbed by anyone other than authorized representative of Company.

Accuracy and Tests

The accuracy and testing of Company's meters shall be in accordance with industry best practices and manufacturers recommendations for electronic metering. Company will test meter for accuracy and provide the results of testing for billing disputes or as requested.

Members' Wiring Installation

1. All service entrance wire hereafter installed shall be so located that the point of attachment for Company's service wires shall be not less than 12 feet or more than 25 feet above the ground line, except that in special cases Company may designate a point of attachment.
2. All services, appliances and appurtenances hereafter installed by member shall be of types approved by the state and municipal codes insofar as they apply.
3. Service entrance wires at service end of conduit or cable shall be protected with weatherproof head so installed that the extended wires will slope downward to prevent the entrance of moisture, and shall be so located that they and Company's 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 weather head on conduit or cable and be so located as to be convenient for the attachment of Company's service wires.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 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 which totally 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 Company at its own expense are the property of the Company, and under no circumstances shall any person not the representative of the Company connect or disconnect any meter, connect to a meter or disturb any wiring or service line between the meter and the Company's distribution system after the meter has been installed.
2. Any infraction of this rule may be considered cause for discontinuance of service.
3. If the meters or other equipment belonging to the Company are damaged or destroyed due to negligence or misuse by member or by any member of his or her family, or by any officer, agent or employee of member, then the cost of necessary repairs or replacements shall be paid by member.
4. Electricity shall be turned on by an authorized agent of the Company if it conforms to Company specifications and approved by state, county or municipal electrical inspectors.

Access to Member's Premise

The Company's representative shall have free access to the premises of the member at all reasonable hours for the purpose of reading the meter or inspecting the metering equipment and all other equipment relating to Company's service or for making the necessary repairs or tests to its equipment, or for removing its 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.

Western Cooperative Electric Association, Inc.

Rules and Regulations

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 company’s distribution system.

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

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

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

The Company will supply, own and maintain all necessary meters and associated equipment utilized for billing. The Company 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 Company for operation of a generator in parallel with the Company’s system. Upon notification by the member of the member's intent to construct and install parallel generation, the Company shall provide the member a written estimate of all costs that will be incurred by the Company and billed to the member to accommodate the interconnection.

Company will provide additional information and guidelines to assist members in the planning, installation and operation of distributed generation systems.

The application and approval process are 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 Company.
3. Once the application has been approved by Company, complete the Interconnection Agreement, and submit it to Company.
4. Company will notify applicant once the interconnection agreement has been approved.
5. Company will inspect applicant’s installation prior to authorizing to interconnect to Company’s distribution system.

Western Cooperative Electric Association, Inc.

Rules and Regulations

6. Applicant will also be required to provide proof of liability insurance prior to interconnecting to the generating system.

Company staff will work closely with applicant to assure the interconnection process goes as smoothly as possible. Questions regarding the application process should be addressed to the Operations Superintendent, Western Cooperative Electric, 635 S13th St., WaKeeney, Kansas 67672. The Superintendent can be reached by phone at 785-743-1189 or 800-456-6720 and by e-mail at rona@westerncoop.com.

Requirements for Installation

Company is available to assist members who are interested in installing and interconnecting their own distributed generation equipment with the Company'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 Company's distribution system. Power generation systems larger than 200 kW or qualifying facilities (QF's) are required to meet the interconnection requirements of Company'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. Company will examine the application and planned installation for the sole purpose of assuring the safety of the distribution system and facilities, members and employees. Company 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 Company's distribution system, facilities, members and employees, or causes Company 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 Company 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 Company 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 Company's Rules and Regulations.

Western Cooperative Electric Association, Inc.

Rules and Regulations

2. The member shall furnish and install at the distributed generation system's interface with Company'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 Company employees, and shall be secured with a padlock provided by Company.
3. The member's installation shall include protection that is compatible and coordinates with Company's system protection so that faults on the member's system do not cause outages or disturbances to Company's system.
4. The member's installation shall include protection capable of sensing any type of fault or outage on the interconnection and must isolate the Member's power system from Company's system and other members.
5. The member is responsible for the protection of their distributed generation system from faults and other disturbances on Company'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 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 Company's distribution system.
2. The member shall be responsible for the installation, maintenance, and operation of 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 Company'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 point of interconnection will be the same as the Company's system voltage.
3. If Company is required to construct facilities different than otherwise would be required to permit interconnection, the member shall pay such additional cost of facilities.
4. The Member shall designate a specific person for the purpose of contact and communication with Company regarding the operation of the distributed generation system.

Western Cooperative Electric Association, Inc.

Rules and Regulations

5. Company 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, Company will have no obligation to inspect or approve the distributed generation system, or to request or witness tests, and Company will not in any manner be responsible for operation of the distributed generation system.
6. Company reserves the right to curtail purchases from the distributed generation system when Company 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 Company, and for the wires and equipment used in connection therewith; and member will protect and save Company harmless from all claims for injury or damage to persons or property, including but not limited to property of member, occurring on or about member's premises or at and from the point of delivery or flow of electricity from Company, 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 Company.
2. The member will:
 - a. pay the Company for all damages to Company's equipment, facilities, or distribution system, and
 - b. save and hold Company 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 Company'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 Company prior to interconnecting to Company's distribution system. Company 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 satisfactory insurance coverage is in effect.

Net Billing or Parallel Generation Rates and Procedures

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