

PRINCE GEORGE ELECTRIC COOPERATIVE

TERMS AND CONDITIONS
for
Providing Electric Service

*As filed with the
Virginia State Corporation Commission*

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I. INTRODUCTION

This filing sets forth the terms and conditions under which electric service is supplied to its Members/Customers by PRINCE GEORGE ELECTRIC COOPERATIVE within its designated service territory, and is on file with the Virginia State Corporation Commission. Changes in these terms and conditions may be made from time to time to meet new or unforeseen conditions. The terms and conditions contained herein are not to be considered complete in every detail for furnishing electric service, but are intended only to be a general outline of the practices of the Cooperative.

The Cooperative, upon request, will provide any Applicant or Member with a copy of the rate schedules and terms and conditions under which electric service will be supplied.

When retail access is made available within the Cooperative's service territory, Members/Customers of Prince George Electric Cooperative may have the opportunity to purchase electricity supply service from an alternative energy service provider. The terms and conditions for Members/Customers electing to switch energy providers are referenced in Appendix B to this document.

II. DEFINITIONS

Applicant - any person, firm, corporation or public body requesting electric service from the Cooperative.

Commission - the Virginia State Corporation Commission.

Customer - any Member and/or patron of the Cooperative receiving, or having received electric service.

Delivery Point – the point where the Cooperative's equipment for supplying electric energy is connected to the Customer's equipment for receiving the electric energy, unless otherwise specified in a written agreement with the Customer.

"Distribute," "Distributing" or "Distribution of" Electric Energy or "Distribution Service" – the delivery of electricity through the distribution facilities of the Cooperative to a Customer.

Electric Service – the provision by the Cooperative of electric distribution service and, to the extent provided by the Cooperative, electricity supply service.

Electricity Supply Service – the generation of electricity, or when provided together, the generation of electricity and its transmission to the distribution facilities of the Cooperative on behalf of a Customer.

Inspection Authority – the authorized representative of any federal, state, local government, agency or political subdivision, having lawful authority to enforce federal, state, or local building codes.

Member - any person, firm, corporation or public body who has complied with the terms and conditions of service, the rules and regulations of the Cooperative, and whose application for membership has been accepted by the Cooperative and is being supplied electric service by the Cooperative.

Prince George Electric Cooperative (referred to as the “Cooperative”) - a Virginia electric cooperative operating under the Utility Consumer Services Cooperative Act.

III. BECOMING A MEMBER

Any person, firm, corporation, or public body, who controls, by ownership or lease, the property to be served, may become a Member of the Cooperative by:

- Executing the Membership Application and/or Service Contract.
- Paying the non-refundable membership fee in accordance with Schedule F - Fees.
- Agreeing to purchase electric distribution service from the Cooperative.
- Agreeing to comply with and be bound by the Certificate of Incorporation of the Cooperative, the Bylaws and any Amendments thereto, and such rules and regulations that may be adopted from time to time by the Board of Directors.

Upon becoming a Member and receiving service from the Cooperative, the Virginia State Corporation Commission’s regulations require that the Cooperative make certain information, such as the Customer’s name, account number and energy usage information, available to competitors on a “Mass List of Customer Information.” Upon a Customer’s request, the Cooperative shall remove the Customer’s information from the list. See Appendix B – Terms and Conditions for Retail Access General Rules and Regulations, Section IV, for more information about the Mass List.

IV. REQUIREMENTS FOR SECURING ELECTRIC SERVICE

A. Application

No person shall receive electric service until such person has executed the Cooperative’s approved form “Application for Membership” and/or its approved form “Agreement for the Purchase of Electric Service,” and has paid a membership fee and a connection fee in accordance with Schedule F- Fees. If service is desired at more than one location, then an additional connection fee shall be paid for each additional meter location. The Cooperative will require only one membership fee per Customer. Each Customer may have multiple service locations allowed by the original application for membership and associated membership fee. Each service location will be subject to all conditions set forth in the original membership application. Large Power Applicants, as defined in Section XV, must contract with the Cooperative before service will be made available.

Any person or entity owing a debt to the Cooperative shall not be allowed to join the Cooperative or receive service from the Cooperative until the debt has been paid in full or arrangements satisfactory to the Cooperative

have been made for satisfaction of the outstanding debt. Applicants must contact the Cooperative before service will be made available. Under certain conditions the Cooperative may require the Applicant to sign a contract or a letter of agreement where the monthly minimum is higher than specified under the applicable rate schedule. Customers may reference applicable rate schedules or contact the Cooperative to determine if such an agreement is required. Whether or not a written agreement covering electric service is executed, the Applicant, by accepting electric service agrees to be bound by the applicable rates and the terms and conditions of service.

The Cooperative reserves the right to require the Applicant to establish that the Applicant is the owner or bona fide lessee of the premises and to require owners or bona fide lessees to execute the Application for Membership and/or the Agreement for the Purchase of Electric Service. When asked to provide such information, the Applicant shall provide the Cooperative with a copy of a signed lease or deed verifying such information. In the absence of a formal rental document, the Applicant must provide a letter from the actual owner of record verifying that the Applicant is a bona fide lessee. Whether or not the Cooperative initially exercises the right specified above, the Applicant, by accepting electricity, agrees to comply at any time with this right.

B. Deposits

1. The Cooperative may require the Applicant or Customer to deposit with it initially and from time to time, as a guarantee of payment for electric service used, such amount as, in the Cooperative's judgment, will secure it from loss. The amount of this deposit shall not be greater than the equivalent of the Customer's estimated liability for two months' electric service.

The Cooperative is not bound to supply electric service until these conditions are fulfilled and it may disconnect with ten (10) days written notice to the Customer if the guarantee or increased guarantee is not given when required.

Whenever the required deposit from any residential Customer exceeds the sum of **\$40.00** the Customer shall be permitted to pay the required deposit in three consecutive monthly installments in amounts determined by the Cooperative provided, however, that the Cooperative shall have the discretion to allow payment of any deposit over a longer period of time

2. The Cooperative will pay interest on deposits held longer than ninety (90) days at a rate which shall be determined by the State Corporation Commission annually.
3. At the option of each Customer making a deposit, the Cooperative shall annually make either direct payment to the Customer of all accrued interest, or shall credit such accrued interest to the Customer's account.

4. The Cooperative will return the deposit after the Customer has established a satisfactory credit record for twelve consecutive months for a residential customer or twenty-four months for all other customers after the deposit requirement is met. Satisfactory credit is defined as having no more than one late notice in the past twelve month or two in the twenty-four month period as applicable. Upon refund, the deposit will be credited to the Customer's account.
5. All remaining deposits plus earned interest will be returned to the Customer at the termination of electric service, after all indebtedness to the Cooperative has been paid. The Cooperative shall have a reasonable time to disconnect service and to ascertain that all obligations of the Customer have been fully performed before being required to return any deposit.
6. Additional deposits may be required resulting from Customer damage to Cooperative equipment as outlined in Section IX.C (Meter Tampering, Current Diversion or Unauthorized Reconnection).

C. Fees

The Applicant shall pay all other required fee(s), deposit(s), and charge(s) as per Schedule F - Fees, attached hereto as Appendix A.

D. Rate Schedule Selection

The Cooperative's Terms and Conditions and Rate Schedules for Electric Service on file with the Commission are available upon request at the Cooperative offices.

When a Customer's load meets the conditions of two or more schedules, the Customer shall be responsible for the choice of the schedule. The Cooperative will assist in the selection at the Customer's request. However, except as provided by law, the responsibility of selection shall rest with the Customer.

The Cooperative cannot guarantee that the Customer will be served under the most favorable applicable schedule. Upon written request the Cooperative will analyze the Customer's usage to determine if the Customer is on the most favorable applicable rate. Unless the Cooperative has determined the most favorable applicable rate following a written request from the Customer, no refund will be made by the Cooperative to the Customer of the difference in the charge made under the schedule applied and that which would have been made if a more favorable applicable schedule had been chosen and applied.

E. Right-of-Way and Easements

1. The Cooperative shall determine the route of the line based on the least cost method and utility accepted routing practice.

2. The Applicant shall, at no cost to the Cooperative, grant and/or furnish all valid right-of-way easements satisfactory to the Cooperative and all other permits necessary to provide electric service to the Customer conveyed on Cooperative approved forms. The Applicant shall give the Cooperative or its agents access to its equipment and facilities, and the right to construct, operate and maintain its facilities.
3. Prior to construction of Cooperative facilities all right-of-way easements and permits required for the Cooperative's and Applicant's facilities must have been secured. The Cooperative will solicit right-of-way easements from property owners whose lands will be affected by the extension of the Cooperative's facilities to the Applicant. If landowners require that payment be made for the granting of easements, which will be necessary to provide electric distribution service to the Applicant, then the Cooperative shall notify the Applicant of the landowners' demands and request the Applicant to satisfy such demands. If the Cooperative's standard procedures for obtaining the easement are not successful, the Applicant may be required to either secure or assist in securing a satisfactory easement from others.
4. For property not in control of the Applicant, it shall be the Applicant's responsibility to secure and/or otherwise provide, at no cost to the Cooperative, a right-of-way acceptable to the Cooperative. Where desirable or necessary, the Cooperative may assist in the right-of-way acquisition process at the Applicant's expense.
5. Developers shall grant the Cooperative the authority, including a free and continuous right-of-way, necessary to construct, maintain and operate an electrical distribution system in the streets of or upon the property of the development.
6. The Cooperative shall have the right to keep easements clear of trees, shrubbery, undergrowth and other obstructions.
7. The Cooperative shall not be required to supply electric service until a reasonable time has elapsed after the Cooperative has obtained all necessary applications, right-of-way easements and/or permits, under financial arrangements satisfactory to the Cooperative.

F. Connection provisions

The Applicant shall make proper provisions for the connection of electric service.

G. Customer Wiring

The wiring must conform to the National Electrical Code and the specifications of the Cooperative. Before connection of service, if covered by the local building code, the Customer's installation must be approved by the Inspection Authority. In no event shall the Cooperative be under

any obligation to inspect wiring or appliances of the Applicant, but where the Cooperative has reason to believe wiring or appliances of the Applicant do not comply with recognized requirements, the Cooperative may refuse to supply electric service to the Applicant or disconnect existing service without notice. The Customer shall be responsible for notifying the Cooperative of any plans for adding appliances, equipment and/or motors, which might overload or impair the electrical service or the facilities of the Cooperative. It is recommended that in the installation of a wiring system, the Applicant give consideration to all foreseeable future uses and install service entrance conductors and equipment of such capacity as to carry the maximum anticipated future loads.

H. Electric Distribution Service Limitations

1. To eliminate the possibility of error or loss the Applicant or Customer, before purchasing motors or other equipment, or undertaking to install wiring, should secure from the Cooperative all necessary data relating to the characteristics of the electric service that will be supplied.
2. The Cooperative reserves the right to set limitations on current inrush characteristics, demand, power factor, or any other characteristics of motors, wiring, or any other equipment in order to protect the quality, reliability, and/or safety of its system, and/or the service to other Customers.

I. Location and Maintenance of Cooperative's Equipment

The Cooperative shall have the right to erect its facilities on property of the Applicant that, in the Cooperative's judgment, are necessary in supplying electric service to the Applicant. The Applicant shall provide suitable space for the installation of the necessary metering apparatus.

V. USE OF ELECTRIC DISTRIBUTION SERVICE

A. Cooperative as Sole Distributor

The Applicant and/or Customer agree that no electricity, other than that distributed by the Cooperative, shall be distributed over the Cooperative's distribution facilities without previous written notice to and consent of the Cooperative.

B. Notification and Approval of Unusual Equipment Added by Customer

1. The Customer shall notify and obtain the consent of the Cooperative before the addition of any unusual equipment or appliances. Such unusual equipment includes, but is not limited to: single phase motors over 5 horsepower, three phase motors, generators or automated process equipment, and welders.

2. The Cooperative reserves the right to refuse to supply electric service to any piece of equipment whose operation is considered to be a safety hazard or detrimental to the Cooperative's electrical system or any of its Customers. Furthermore, the Cooperative reserves the right to discontinue electric service to any Customer operating such equipment until such time as the Customer conforms to the Cooperative's terms and conditions.
3. When any alterations require the change of location or character of service, service conductors, meters, transformers and other necessary facilities, the Customer should make appropriate arrangements for the accomplishment of such changes by the Cooperative and the Customer's electrical contractor.
4. Service conductors, meters or metering equipment shall not be removed or relocated except by employees or authorized agents of the Cooperative authorized to do the work.
5. In order to avoid undue outages or damages to the Customer's or Cooperative's equipment, the Customer should advise the Cooperative in writing at least 45 working days prior to any additions which will materially increase the demand caused by load increases.

C. Customer Generating Equipment

1. Interconnection
 - a. A double-throw switch, or other Cooperative approved disconnection device, must be used to prevent possible injury. Installation of such disconnection device is subject to the inspection and approval of the Cooperative.
 - b. Detailed plans showing the equipment to be used, the load transfer arrangement and the electrical connections should be submitted to the Cooperative for approval prior to installation.
 - c. Where auxiliary service is provided by the Cooperative, or where an emergency source of supply is provided by the Customer, parallel operation of the Customer's generating equipment with the Cooperative's system is not allowed except where specifically approved by the Cooperative.
2. Co-Generation and Small Power Production Facilities

Any qualifying co-generation or small power production facility as designated by the Federal Energy Regulatory Commission (FERC) shall be dealt with in accordance with applicable FERC orders and legal and regulatory standards.

3. Net Metering Customer

Any qualifying net metering Customer as designated by Virginia Code § 56-594 shall be dealt with in accordance with applicable legal and regulatory State standards.

4. Power From Generators

Retail Customers (including net metered Customers) are not permitted to sell any portion of their on-site, self-generation into the electricity market without first having executed a contract with both the Cooperative and the transmission provider.

D. Suitability of Apparatus to be Added

The Cooperative reserves the right, but shall not have the duty, to determine the suitability of any apparatus, or appliance to be connected to its lines, and to determine whether the operation of such shall be detrimental to its general supply of electric service. The Cooperative further reserves the right to refuse to supply, or to discontinue the supply of electric service until such time as the Customer shall conform to the Cooperative's regulations.

E. Electric Service for Customer's Use Only

The Cooperative will furnish electric service to the Customer for use only for the premises occupied through ownership or lease by the Customer. This service shall not be remetered, submetered or otherwise controlled by the Customer for resale or assignment to others, except as provided by the Code of Virginia.

F. Liability of Cooperative

The electric service supplied under any agreement is distributed by the Cooperative and purchased by the Customer upon the express condition that after it passes the metering equipment of the Cooperative, or other delivery point, it becomes the property of the Customer to be used only as herein provided. The Cooperative shall not, in any event, be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electric service on the Customer's premises or elsewhere, after it passes the Cooperative's metering equipment, or other delivery point; or for any loss or damage resulting from the presence, character or condition of the wires or appliances of the Customer.

G. Interruption of Service

The Cooperative will endeavor to maintain, as nearly as practical, full continuity of service but it cannot guarantee uninterrupted service. It is the Customer's responsibility to provide protection for the Customer's electric motors, apparatus, wiring and other equipment from the effects of

unavoidable interruption or abnormal service supply conditions, such as low voltage, high voltage, single-phasing, lightning damage or frequency change. The Cooperative will not be held responsible for losses experienced by the Customer due to the Customer's failure to provide such protection.

Without liability to the Cooperative, service may be interrupted or become abnormal because of any of the following causes:

1. Storms, accidents, equipment failure and/or acts of God.
2. Failure of power supplier, shortage in power supplies or capacity necessitating reduction in service or the implementation of rotating blackouts. When rotating blackouts are required, the Cooperative may, without notice and without incurring liability, implement them on the basis of what is, in the Cooperative's opinion, reasonably necessary to minimize adverse impact on the public health and safety and to facilitate restoration of normal service to all Customers at the earliest time practical.
3. An adverse condition or disturbance on the system of the Cooperative, or on any other system directly or indirectly interconnected with it which requires automatic or manual interruption of the supply of electric service to some Customers or areas in order to limit the extent or duration of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, the Cooperative may, without incurring liability, take such action as appears reasonably necessary.
4. By order of governmental authorities.
5. To make repairs, to limit or reduce the duration of interruptions, or to prevent damage to the Customer's or the Cooperative's equipment.
6. Civil disorder, strikes, or other labor trouble, riot, insurrection, war, fire or any other cause where the Cooperative believes it is necessary to de-energize part of its facilities for the protection of the public, its employees, or its electric system.

Upon correction of the conditions that caused the interruption, the Cooperative will be diligent in re-energizing its facilities when it is safe to do so. Upon any interruption of service, or any abnormal service, the Customer should notify the Cooperative as soon as possible. The Cooperative, in most cases, has no other way of knowing of interrupted or abnormal service.

H. Customer's Responsibility

1. The Customer shall be responsible for providing the Cooperative and/or its agents access to the Cooperative's property installed on the

Customer's premises. The Cooperative shall have the right to discontinue the supply of electric service if such access is denied. See Section VIII. B.

2. The Customer shall be responsible at all times for the safekeeping of all Cooperative property installed on the Customer's premises and to that end shall give no one, except authorized Cooperative employees or its agents access to such property.
3. The Customer shall be liable for the cost of repairs or damage done to the Cooperative's property on the Customer's premises resulting from the negligence of, or misuse by anyone other than Cooperative employees and/or its agents.
4. The Customer shall be responsible for the maintenance and repair of the Customer's wiring and equipment. Additionally, it is the Customer's responsibility to provide adequate protection for the Customer's motors or other equipment as defined in the National Electrical Code. Should the Customer report trouble with the supply of electric service, the Cooperative will endeavor to respond with reasonable dispatch to such calls with the purpose of correcting only such trouble as may be in the Cooperative's equipment supplying said Customer.
5. When abnormal voltage conditions or objectionable harmonics on the Cooperative's system are found to be due to the Customer's installation (such as load unbalance or the operation of computers, motors or other equipment) the Customer shall provide, at his own expense, suitable corrective wiring or equipment on his premises so that his use of electricity will not adversely affect the service to other Customers.
6. The total load on the Cooperative's service shall be balanced over the phases as equally as practice will permit and the Customer shall, at his expense, maintain such balance. Ordinarily the difference between the loads on any two phases shall not be greater than ten percent (10%) of the total connected load.
7. The Cooperative reserves the right to refuse service to motors with a maximum inrush current of more than 260 amperes at any time during the starting cycle, polyphase motors rated less than 15 HP or polyphase motor installations having a combined rating of less than 25 HP. The Customer shall install, at his expense, a suitable voltage or current type of device which will protect his equipment from damage in the event of phase outages, and a reverse phase relay of approved type on all motors and/or other equipment where a definite direction of rotation must be maintained. The Customer shall install, at his expense magnetic starters on all motors 5 HP or larger. The starters shall be equipped with either a momentary start-stop push button or similar pilot device which would require the Customer to manually restart his equipment in the event of a power interruption, or a time delay device which would automatically restart the equipment within one to five minutes after restoration of power by the Cooperative.

8. The Cooperative will not be responsible in any way for defects in Customer's wiring or equipment, or for damage which may result there from. The Cooperative will not be liable for the wastage of electricity caused by accidental grounds or other conditions existing in the Customer's wiring or apparatus.

9. The Cooperative retains responsibility only with respect to the actions of its employees and/or its agents in connection with property owned by the Cooperative.

10. When Cooperative service personnel are dispatched at the request of the Customer for problems which exist within the Customer's facilities, a service fee shall be charged for service calls during or outside regular working hours.

11. The Customer shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs or expenses, for loss, damage, or injury to persons or property in any manner directly or indirectly arising from or connected with, or growing out of the use of electric service by the Customer at or on the Customer's side of the delivery point.

VI. EXTENSION OF FACILITIES

A. General

The policy of the Cooperative is to furnish adequate distribution electric service to all qualified Applicants within the Cooperative's service area. The service shall be furnished at the Cooperative's published rates as approved by the State Corporation Commission of Virginia and in accordance with the following line extension policy.

1. The standard construction practices of the Cooperative shall be designed for the most economical and cost effective installation. Normally this is overhead construction.

2. The Cooperative shall not be required to make any electric line extension until the Customer to be supplied from such line extension has signed all applications and/or agreements and fulfilled such other conditions for the connection of electric service as may be required by the Cooperative and until all permanent premises to be supplied have been wired and made ready for service.

3. It shall be the Applicant's responsibility to secure and/or otherwise provide, at no cost to the Cooperative, a right-of-way acceptable to the Cooperative. Where desirable or necessary, the Cooperative may assist in the right-of-way acquisition process at the Applicant's expense.

4. At the discretion of the Cooperative, the Applicant shall be responsible for clearing the rights-of-way and/or trimming yard trees to the satisfaction of the Cooperative where the proposed facilities extend through wooded areas or are in conflict with yard trees.

5. The Cooperative reserves the right to install underground line facilities when it determines it is in the best interest of the Cooperative. If the Cooperative determines that underground service is needed, the Customer shall provide access conduits underneath driveways, sidewalks, patios, porches, decks, etc. to the satisfaction of the Cooperative. At the Cooperative's option, an entire conduit system may be required.

6. The Applicant/Owner shall grant to the Cooperative an easement relieving the Cooperative of the liability of damages that could be incurred if the underground cable should ever need repair or replacement.

7. The Cooperative, through its proper agents and employees, shall have the right of access to the Customer's premise at all reasonable times for the purpose of reading meters of the Cooperative, maintaining, testing, removing its property, or for other proper purposes, and the Cooperative shall have the right to discontinue the supply of electric energy without notice if such access at any time is denied representatives of the Cooperative. The Customer shall be responsible at all times for the safekeeping of all Cooperative facilities installed on the Customer's premises, will protect the facilities from injury by the negligent or deliberate acts of others, and shall give unauthorized persons no access to the Cooperative's property.

8. These general rules and regulations shall not be construed as prohibiting the Cooperative from making electric line extensions of greater length or higher costs provided that there is no discrimination between Customers using and/or receiving electric distribution service under the same classification.

B. Service Requiring Line Extension

1. In all cases of line extension, overhead or underground, the Customer or Customers shall be required to provide the Cooperative with an adequate right-of-way at no expense to the Cooperative.

2. The Cooperative shall extend single phase overhead primary electric service to all permanent bonafide residential and commercial establishments in its designated service area without charge under the following conditions:

- a. The approved primary service extension does not exceed 5,000 (five thousand) feet; with no more than 1,000 (one thousand) feet of the total located off a public road and the remaining portion of the total approved footage is located (and accessible for future development) along a publicly maintained road.

- b. A primary service extension may be constructed along a private road to multiple services if:
 - 1.) The land has been sub-divided by a recorded plat.
 - 2.) The sub-divided parcels will be offered for public sale within twelve (12) months of the installation of the primary service facilities and will remain continuously posted publicly for sale in the local real estate market until sold.
 - 3.) Each sub-divided parcel has been approved by local governmental authority for installation of water and sanitary septic facilities or public water and sewer facilities are installed for the sub-divided parcels.
 - 4.) The length of the primary facilities located off the publicly maintained road do not exceed an average of 1,000 (one thousand) feet per sub-divided parcel.

c. The applicant will be required to pay the estimated cost of the single phase primary service extension in excess of the facilities provided without charge. The Cooperative shall not be required to construct any facilities until all payments have been made and until the applicant has signed all agreements and fulfilled such other conditions as may be required by the Cooperative. This payment shall be received by the Cooperative as a contribution in aid of construction and shall not entitle the applicant to ownership of any part of such facilities.

d. If a Customer has paid a contribution for excess single phase facilities and within three (3) years of their completion, the Cooperative uses those same facilities to provide permanent bonafide residential or commercial service to a subsequent customer(s), a refund of the first customer's contribution (in whole or in part) may apply. The refund (not to exceed the original contribution) will be equal to the original contributed cost of facilities which would not have been charged to the first customer if the total facilities had been extended simultaneously to serve all the affected customers, giving credit to each for the facilities that would have been constructed without charge.

The Cooperative will endeavor to make the refund(s) promptly, however the failure to promptly identify the refund due, will not cause the Cooperative to be responsible for interest on the sum. The Cooperative shall extend three phase overhead electric service to any applicant in its service area provided that the applicant pays to the Cooperative an amount which would cover all construction costs in excess of that which would normally be charged for single phase service as stated above.

e. The Cooperative will install underground secondary service to new installations when the maximum distance does not exceed 200 feet from the base of the terminating pole to the point of attachment. The Customer shall bear the total expense of the installation less the cost of providing service in the usual overhead manner. When the installation of underground primary voltage is required and requested by the Customer, the Cooperative will install such underground and the Customer shall bear the expense of the installation less the cost of providing service in the usual overhead manner.

f. It will be the customer's responsibility to furnish and install meter poles. In such cases where a customer requests that overhead service be made available to a meter pole location, this service will be constructed and terminated on the customer's pole at no extra charge. Meter poles must meet the Cooperative's approval as to their size and location. The Cooperative will attach to this pole and terminate its wires at this pole. The customer will be responsible for the service entrance cable, installation of the meter base and any apparatus and wires required on the customer's side of the meter base.

g. Where three-phase line is required the Customer shall pay the estimated difference in cost between the single-phase and three-phase line.

h. If existing three-phase facilities are available but have inadequate capacity to serve a proposed three-phase load, the Customer requesting the service shall pay the estimated cost of upgrading existing facilities necessary to provide such service.

i. In all cases construction shall be to the Cooperative's specifications and the Cooperative's facilities shall be installed in a place and manner satisfactory to the Cooperative.

C. Secondary and Service

In cases where service is provided from the Cooperative's aerial service wires and is connected to the Applicant's building, it is the responsibility of the Applicant to furnish and install service entrance conductors, as required, between the Cooperative's point of attachment to the building and the meter mounting device. Provisions must be made by the Applicant for a structurally sound point of attachment (on or adjacent to the structure) such that the Cooperative's service drop conductors will be no less than twelve feet (or higher as the National Electric Safety Code may require) above finished grade, capable of withstanding the mechanical strain which will occur as a result of the attachment of the service wires thereto, meeting approval of the Cooperative.

D. Line Relocations and Conversions

1. If the Customer requests that an existing line be relocated and the Cooperative agrees to the relocation, the Customer may be required to pay a contribution in aid of construction for the cost to relocate the line.
2. If Customer requests that an existing overhead primary line be converted to underground and the Cooperative agrees to the conversion, the Customer shall pay a contribution in aid of construction for the cost to convert the line.

3. If the Customer has adequate overhead service and requests underground service, the Customer shall pay the entire estimated cost of underground service, less salvage of usable inventory stock from the overhead line.

4. If a Customer request that an overhead service, which is inadequate, be converted to underground and the Cooperative agrees to the conversion, the Customer shall pay the cost differential between underground and overhead facilities.

5. When any alterations require the change of location or character of the service, service conductors, meters, transformers and other necessary facilities, the Customer should make appropriate arrangements for the accomplishment of such changes by the Cooperative and his electrical contractor. Service conductors, meters or metering equipment, shall not be removed or relocated except by employees of the Cooperative authorized to do the work. In order to avoid undue outages or damage to the Customer's or Cooperative's equipment, the Customer should advise the Cooperative in writing at least 45 days prior to any additions which will materially increase the demand caused by load increase.

E. Excess Facilities

1. Where Customer requires for its own purposes that excessively expensive construction methods be used, then the Cooperative shall charge the Customer for the difference between estimated cost of the special construction and the estimated cost which the Cooperative would have normally incurred. Where the Customer requests that existing Cooperative's facilities be altered or rearranged to suit the Customer's purposes, the Cooperative shall require the Customer to pay the estimated cost of such alterations of facilities as may be required.

2. Where the Customer requests the Cooperative to construct private electric facilities which shall become the property of the Customer, and the Cooperative agrees to do such, the Cooperative shall charge the Customer for the estimated direct and indirect cost of such construction.

F. Outdoor Lighting Service

1. The complete installation is to be furnished, maintained and operated on an unmetered electric energy basis by the Cooperative and will remain the property of the Cooperative. The type of fixture and method of installation shall be in accordance with Cooperative standards. The location of all installations shall be agreeable to the Cooperative.

2. The Cooperative will provide and install at no additional cost, one pole and a maximum of 125' of overhead service wire for the installation of the light. If additional facilities are required for the installation the Cooperative will estimate the cost of the additional facilities and the Customer will be required to pay the estimated cost prior to the installation of the light. The Cooperative shall not be obligated to construct or own any line extension or other facilities to provide outdoor lighting service.

3. In addition to the above costs the Customer shall pay to the Cooperative in advance of the initial installation, an advance payment equivalent to approximately the sum of one yearly charge per light installed. From this payment, monthly charges as per the appropriate rate schedule will be deducted including fuel and/or power cost and utility tax where applicable, until the payment has been expended, after which the light will be placed on a monthly billing.

4. The Customer shall report to the Cooperative, as promptly as possible, any and all lights that are out or not burning properly. The Cooperative will endeavor to replace or repair such lights on the following regular working day under normal conditions.

5. The Customer shall endeavor to assist the Cooperative in the prevention of vandalism to its lighting facilities. Should excessive damage due to vandalism be incurred by the Cooperative, the Cooperative will require the Customer to pay the cost of such repairs or discontinue the lighting service.

6. In the event the Customer requests a change in the location of a lighting fixture the change will be made only at the Customer's expense.

G. Temporary Service

A temporary service connection is a service connection installed to supply electricity for a limited time. Service connections for carnivals, festivals, Christmas tree lighting, street decorations, construction purposes, etc., are considered temporary even though in some cases, they may be used for a period of a year or longer. The Customer's facilities at the point of attachment shall be approved by the Cooperative and the Inspection Authority having jurisdiction. In no case will the Cooperative connect a service drop to mobile equipment. Where it is necessary to establish a temporary service connection the Applicant shall contribute to the

Cooperative in advance, the estimated cost of installing and removing the equipment less the salvage value of the usable material returned to inventory stock.

VII. METER READINGS, BILLING AND PAYMENT

A. Billing

Bills will be rendered to the Customer by the Cooperative monthly. Bills will be computed using metered energy and power consumption based on applicable rates and fees on file and approved by the Commission. The Cooperative will prorate the bill when a Customer's service starts or is terminated between regular meter reading periods.

B. Meter Readings

The rates of the Cooperative for electric service are based on the condition that monthly meter readings shall be furnished the Cooperative by the Customer, no later than the 20th day of the month. In the event a valid meter reading is not obtained prior to computing a bill, the Cooperative will use an estimated meter reading. Unless mutually agreed to by the Cooperative and the Customer, the Cooperative shall have its personnel take a reading of the Customer's meter if the Customer has failed to furnish a meter reading for two consecutive billing periods and a meter reading fee will be charged.

In the event that the meter has failed and no valid meter reading is obtained, an estimated bill will be generated by the Cooperative using the best available information. The Cooperative may adjust estimated bills when actual information becomes available upon which to base the adjustment, if the adjustment amount shall be more than \$25.00.

C. Terms of Payment/Collection

Bills will be due when presented. They shall be considered as presented when deposited in the United States mail for delivery or when otherwise

delivered by the Cooperative to the last known physical, mailing, or e-mail address of the Customer. It shall be the Customer's responsibility to furnish the Cooperative with a valid address. A bill shall become overdue if unpaid on the 20th day following the day it has been presented. If payment has not been received by the late payment date, a one and one half percent (1½%) penalty per month will be applied on the outstanding balance less local government utility taxes. If it remains unpaid at the time the succeeding bill is presented, a notice of intent to disconnect service shall be served upon the Customer, giving at least ten days prior notice. If the bill remains unpaid at the end of such ten-day notice, electric service to the premise of the Customer shall be subject to disconnection without further notice.

The Cooperative reserves the right to apply any payment or payments made in whole or in part to any account due the Cooperative by the Customer unless the Customer has instructed otherwise. However, the Cooperative may apply any payments in excess of the account specified to other accounts due the Cooperative by the Customer.

Whenever the Cooperative sends personnel to the Customer's location of service in an attempt to collect payment for an overdue bill, a collection fee will be charged in accordance with Schedule F - Fees. This fee, together with all electric bills due the Cooperative, shall be paid to the Cooperative's personnel to avoid disconnection. A separate collection fee will be charged for each trip to the premise and each account that is collected.

If the service is disconnected the Customer must pay all outstanding balances plus all applicable fees and applicable deposit before service will be restored.

Upon disconnection of service for any reason, the Customer shall be sent a final bill at the next regular billing cycle showing the outstanding amount owed after deducting all applicable credits.

D. Budget Billing/Levelized Plan

A Budget/Levelized Billing plan is available to permanent residential customers with a good credit history. The Cooperative uses the Customer's established consumption history to determine the monthly budget amount.

Budget amounts are averages based on previous kWh consumption. As such, they are subject to revision to keep them consistent with actual usage.

The Customer will pay the designated budget bill amount for the first eleven (11) months of the budget bill year. The twelfth (12th) month of the budget billing year will be used to reconcile and settle the account. During this month, the Customer will be required to pay in full any unpaid balance for usage or will receive a credit (or refund if desired) for any overpayment.

If the Customer fails to make a regular budget payment by the time of the succeeding bill, a late payment charge will be assessed, collection efforts may be initiated and the account may be removed from the budget billing plan.

With written notice, an account may be removed from the budget plan and restored to a regular billing plan at any time at the discretion of the Cooperative.

E. Seasonal Electric Service

The monthly base facility charge which applies with the Cooperative's rate schedules is based on one-twelfth of the annual cost of having electric service available to the Customer. In as much as an electric service is used by a Customer on a seasonal basis (ie: crop dryer or hunting cabin), and the meter is connected only for the month(s) used, that Customer would not bear the full cost of having the electric service facilities available. The unrecovered cost would then ultimately be borne by other customers in higher charges.

Prior to connection of a seasonal service, the customer will pay in advance twelve (12) times the monthly base facility charge, which will be applied against monthly charges. No part of the prepaid seasonal service base facility charge will be refunded if service is disconnected. If electric service to a premise that is used on a seasonal basis is disconnected and reconnected by the same owners or bonafide lessees within a thirteen (13) month period, the Applicant will be charged the base facility charge for the months when the service was disconnected and no base facility charge paid. Other fees included in these Terms and Conditions of Service and Rate Schedules may also apply.

F. Non-Member Resident Meter Reading Service

Any customer who is not a resident of the Cooperative's service area may request by written agreement that the Cooperative read their meter on, at minimum, a quarterly basis. The meter readings will be taken on a schedule determined by the Cooperative. A meter reading fee will be charged for each reading taken.

VIII. DISCONTINUANCE OF ELECTRIC SERVICE

The Cooperative reserves the right to discontinue furnishing electric service to a Customer, irrespective of any claims pending against the Cooperative, upon the occurrence of any one or more of the following events:

- A. At Any Time Without Notice

1. Whenever, in the Cooperative's opinion, the conditions of the Customer's wiring, equipment and appliances are either unsafe or unsuitable for receiving electric service, or when the Customer's use of electric service or equipment interfere with, or in the opinion of the Cooperative may be detrimental to the supply of electric service by the Cooperative to any other Customer;
2. In any case of any misrepresentation by the Customer to the Cooperative (such as falsifying information on the Application);
3. Whenever the Cooperative, in its opinion, has reasonable cause to believe that a Customer is, or has been, receiving electric service without authorization, or that the Customer in any manner interferes with the proper metering of such electric service. The Customer will pay for any costs incurred by the Cooperative as a result of such actions by the Customer.
4. Emergency repairs or alterations;
5. Unavoidable shortages or interruptions in the Cooperative's source of supply, other cases of emergency, and
6. When ordered by authorities having jurisdiction.
7. A check received for payment of a delinquent bill, to avoid disconnection of service due to non-payment is lawfully dishonored by the banking institution on which the instrument is drafted.

B. With Written Notice

Notice of discontinuance shall be considered to be given to a Customer when a copy of such notice is left with the Customer, or left at the premises where the Customer's bill is rendered, posted in the United States mail, or sent to the Customer's last Post Office or e-mail address shown on the records of the Cooperative:

1. Failure to comply with the Terms and Conditions of Service of the Cooperative;
2. Failure to pay bills for electric service;
3. Failure to pay any required deposit;
4. Failure to comply with the terms of any payment agreement, contract, or Agreement for the Purchase of Electric Service;
5. Whenever the Customer has denied a representative of the Cooperative access to the Cooperative's meters, wires, facilities or other apparatus installed on the Customer's premises;

6. Failure to correct any safety hazard having to do with electric service, judged by the Cooperative to be serious, but not life threatening; and
7. Failure to correct violations of the National Electrical Safety Code and the American National Standard Code for Electricity Metering caused by changes in the structure or grade.

C. At Customer's Request

The supply of electric service will be disconnected to any Customer within a reasonable time after receipt of such request from the Customer to the Cooperative. Request for disconnection of service does not relieve the Customer of obligation to the Cooperative.

IX. RECONNECTION OF ELECTRIC SERVICE

A. Compliance with Terms and Conditions

If the electric service has been discontinued for any of the reasons covered by Section VIII (Discontinuance of Electric Service), the Customer shall comply with all Terms and Conditions of Service before the service is reconnected.

The Cooperative shall have a reasonable period of time in which to reconnect the Customer after the Customer has corrected all unsatisfactory conditions or resolved all the issues that caused the disconnection.

B. Settlement of Charges and Fees

1. Any service disconnected for nonpayment shall not normally be reconnected until full payment is received for:
 - a. All obligations to date;
 - b. A Reconnection Charge and/or applicable fees; and
 - c. Any required deposits.
2. Settlement of charges and fees received before 3:30 p.m. shall entitle a disconnected Customer to be reconnected on that day for a regular work hour's reconnection charge in accordance with Schedule F - Fees.
3. If a Customer requires that service be reconnected at a time other than regular working hours, an after-hours reconnection charge will be assessed. This charge will be determined in accordance with Schedule F - Fees.

4. Cooperative personnel will not make field collections of any type outside regular working hours. Settlement of charges and fees outside of regular working hours shall be:
 - a.) made over the telephone by credit card or other electronic method;
 - b.) by the Member's delivery of payment by a designated time to a specific site within the general service area as instructed by the Cooperative; or
 - c.) any other method deemed safe by the Cooperative.
5. At any time the Cooperative feels its employees may be placed in danger for any reason, reconnection will be offered only during regular working hours.

C. Meter Tampering, Current Diversion or Unauthorized Connection or Reconnection

The Cooperative may pursue any criminal complaint procedure available under the law. Before reconnection of any service disconnected for meter tampering, current diversion, or unauthorized connection or reconnection of service, the Customer must comply with the following conditions:

1. Pay for all damages to Cooperative equipment resulting from the tampering and/or damages and provide sufficient deposit to cover future tampering or damage.
2. Pay an amount estimated to be sufficient to cover service delivered, whether metered or unmetered.
3. Pay the Reconnection Service Charge or other fees as applicable.
4. Pay any other required deposits as identified in Section IV (Requirements for Securing Electric Service).
5. Pay actual charges to reimburse the Cooperative for employee time and expenses associated with the investigation and handling of the incident and pay a fee to cover the cost of testing the meter in accordance with Schedule F - Fees.
6. Make any changes in wiring or equipment that, in the opinion of the Cooperative, may be necessary for the protection of the Cooperative.

D. Relocation

When a Customer moves from one location to another in the Cooperative's service area, the Customer will apply for service and meet all requirements for securing service at the new location.

X. ELECTRIC SERVICE CHARACTERISTICS

A. Quality and Continuity of Service

The quality of service supplied by the Cooperative shall be in accordance with the accepted standards of the electric utility industry. The Cooperative shall endeavor to provide continuity of electric distribution service as outlined in Section V. G (Interruption of Service).

B. Voltage

The Cooperative's standard voltage for lighting and other domestic uses shall be 120/240 volts, 60 cycles, single-phase alternating current. Other voltages may be furnished by special arrangements with the Cooperative and at the option of the Cooperative. The Cooperative will endeavor to maintain the voltage within 7.5% above or below the standard voltage at the delivery point of the Cooperative's service conductors on the Customer's premises. Variations in voltage in excess of that specified caused by the action of the elements, the nature of the Customer's equipment, or acts of God, or any other reasons beyond the reasonable control of the Cooperative, shall not be considered as violations of these permissible variations.

Three-phase service will be furnished under applicable schedules from the Cooperative's lines.

XI. METERS AND METERING

A. Ownership and Location

Meters and metering equipment used to measure the energy delivered from the facilities of the Cooperative to the Customer's premises will be installed and owned by the Cooperative. In general, meters shall be located approximately 5 ½ feet above finished grade and on the outside of the building. The location of the meter and the delivery point at which the Cooperative's supply lines terminate on the building of the Customer shall be designated by the Cooperative. The Cooperative may furnish the meter socket, or at its discretion may require the Customer to provide a meter socket approved by the Cooperative, which shall be installed by the Customer as a part of the service entrance. All joints and connections to the meter socket must be completely weatherproof. No part of the service entrance shall be concealed before entering the meter socket. The location should be free of vibration, accessible and convenient, outside all structures, and protected from injury by the negligent or deliberate acts of others. The Cooperative shall have clear and unrestricted access to its metering equipment. There are exceptions to this location with respect to certain large power Customers requiring other advanced metering equipment.

For primary metered aerial installations, the Cooperative will provide the pole structure if the metering is located on the first pole from the Cooperative's system. If the metering is located on a pole in the Customer's line or at the Customer's substation, the Customer shall provide a structure for the installation of metering.

For primary metered underground installations, the Cooperative will provide a facility for mounting the metering if located at the termination of the Cooperative's extension. If located in the Customer's private line or at the Customer's vault or substation, the Customer will provide the facility for mounting the metering. In any case the installation, including pad specifications, must be at the approval of the Cooperative.

No persons, except authorized representatives of the Cooperative are permitted to perform any operation on a meter or its connections as installed by the Cooperative.

Upon a Customer's request, the Cooperative shall provide advanced metering and associated equipment at the net incremental cost above the basic metering service provided by the Cooperative. Such cost may be paid by the Customer as a contribution toward construction costs.

B. Periodic Testing

Periodic tests of meters used to measure energy delivered to Customers will be made in compliance with The American National Standards Institute (ANSI). A more frequent periodic testing schedule may be instituted if deemed necessary by the Cooperative.

C. Tests Requested by Customer

Upon a request by a Customer, the Cooperative shall test his meter provided that such tests need not be made more frequently than once in 24 months. If tests of meters are required by the Customer to be made more frequently than once in 24 months, the Cooperative shall charge a fee for each such test (See Schedule of Fees), if the percentage registration of the meter is within a range not less than 98% or exceeding 102%. The Customer, or his representative, may be present when his meter is tested. A written report of the results of the test shall be made to the Customer within ten (10) days after the completion of the test which he requested.

D. Meter Inaccuracy

1. In the event the metering equipment installed by the Cooperative fails to properly register the energy during any period, the consumption for such a period will be estimated upon all known facts and billed accordingly, or at the option of the Cooperative, shall be estimated from the amount of energy used during a period in which the Customer operated under conditions similar to those existing during the period in which the metering equipment failed to properly register energy consumed.

2. Whenever a watthour meter in service is found upon a test made by the Cooperative, or any other lawfully constituted authority having jurisdiction, to be fast in excess of two percent (2%), the Cooperative shall refund to the Customer an amount equal to the excess charged for the kilowatt hours incorrectly metered, for a period equal to one-half of the time elapsed since the last previous test, but in no case to exceed twelve (12) months.

3. Whenever a watthour meter is found, upon test made by the Cooperative, or any other lawfully constituted authority having jurisdiction, to be slow in excess of two percent (2%), the Cooperative may make a charge to the Customer for the kilowatt hours incorrectly metered for a period equal to one-half of the time elapsed since the last previous test, but in no case to exceed twelve (12) months.

E. Meter Failure

1. If the meter is found to not be registering at all, the Cooperative will use the best available information to estimate the monthly consumption of power and energy.

2. If an electronic meter that also has a manual register fails to accurately report monthly readings, the Cooperative will obtain a reading from the manual register. The Cooperative will use this reading to render the Customer's next bill.

XII. RESERVED

XIII. CUSTOMER COMPLAINT PROCEDURE

The Cooperative has a Customer Complaint Procedure to be responsive to the Member-Owners of the Cooperative; to receive and respond to the complaints or inquires of Customers in an equitable and timely manner; and to empower all employees to promptly and reasonably resolve Customer complaints which are within their ability and skill.

The procedure will provide for Customers to have access to Cooperative management or supervisory personnel when needed on a 24-hour basis. Only complaints, which are emergencies by nature, will be handled outside regular business hours. Otherwise Cooperative personnel will respond to complaints during regular business hours.

New Cooperative members will be provided a copy of this procedure. Customers shall also be provided a copy of the complaint procedure annually, including any revisions, by publication in the *Cooperative Living* magazine or other printed notice.

XIV. RESERVED

XV. RATES

Classification of Schedules

The Cooperative has the following rates available:

| | |
|-------------------------|---|
| SCHEDULE A-10 | Residential Service |
| SCHEDULE SGS-7 | Small General Service |
| SCHEDULE GS-7 | General Service |
| SCHEDULE PE-1 | Prepaid Electric Service |
| SCHEDULE C-9 | Church Service |
| SCHEDULE LPS-9 | Large Power Service |
| SCHEDULE OL-11 | Outdoor Lighting Service |
| SCHEDULE R-TOU-4 | Residential Service (Experimental) |
| SCHEDULE GV | Qualifying Facilities |
| SCHEDULE CS-3 | Curtable Service Rider |
| SCHEDULE PCA-1 | Power Cost Adjustment |
| SCHEDULE NEM-8 | Net Energy Metering |

These rates are on file with, and have been approved by, the Virginia State Corporation Commission. Electronic copies of approved rates can be found at www.pgec.coop.

APPENDIX A – Schedule F – Fees

| Type of Fee or Service Charge | Amount |
|---|----------|
| A. Membership Fee - (Non-Refundable) | \$5.00 |
| B. Activation Fee (Non-Refundable) | \$30.00 |
| C. (Reserved) | |
| D. Collection Fee – applicable if field visit for collection is made, per Trip, per Account | \$45.00 |
| E. (Reserved) | |
| F. Reconnection Fee to Existing Consumer | |
| 1. During Regular Business Hours, per Trip, per Account ¹ | \$55.00 |
| 2. After Regular Business Hours, at Customer's request, per Trip, per Account ² | \$95.00 |
| 3. Late hours, per Trip, per Account ³ | \$120.00 |
| G. Returned Payment Processing Fee (payment not honored by financial institution) | \$25.00 |
| H. Service Call Fee—Customer Request ⁴ | |
| 1. During Regular Business Hours, per Trip, per Account ¹ | \$ 65.00 |
| 2. After Regular Business Hours, per Trip, per Account ² | \$ 90.00 |
| I. Credit Card – There shall be no fee for a customer to make a payment of up to \$1,000.00 by credit card. | |

1. Regular Business Hours are Weekdays from 8:00 a.m. to 5:00 p.m.
2. After Regular Business Hours are Weekdays from 5:00 p.m. to 9:00 p.m. and Weekends and/or Holidays from 8:00 a.m. to 9:00 p.m.
3. Late Hours include any time between 9:00 p.m. and 8:00 a.m.
4. Service Calls include Consumer requested Site Visits for Generator Installations, Meter Testing (first test is no charge), or any other Visit requiring Cooperative Personnel and Equipment.

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APPENDIX B - Reserved

APPENDIX C – PREPAID ELECTRIC SERVICE - GENERAL RULES AND REGULATIONS

I. PURPOSE

This Appendix C states the Cooperative's General Rules and Regulations for providing Prepaid Electric Service. If a provision in the Cooperative's overall Terms and Conditions for Providing Electric Distribution Service conflicts with a provision in Appendix C, the provision in Appendix C will control with regard to those Customers who have voluntarily elected to participate in the Prepaid Electric Service program.

II. APPLICABILITY

Upon a Customer's request, the Cooperative will initiate Prepaid Electric Service at the Customer's location, providing a system that is configured to suspend electric service immediately and automatically when the Customer has incurred charges for electric service equal to the Customer's prepayments for such service. Available to Customers otherwise served under the Cooperative's applicable Residential Service Schedule A and eligible Small General Service Schedule SGS rates. In order for a Customer requesting service under a Small General Service rate to be eligible for Schedule PE, the service must be located on the property of a current Residential Service being served under Schedule PE and the service is not to be greater than 200 amps.

Schedule PE is not applicable to Customers using the Cooperative's Net Energy Metering Schedule NEM, Time of Use Schedule R-TOU, or Budget Billing Plan. Schedule PE is not available at locations where the Customer is receiving, or begins receiving, service subject to a Serious Medical Condition Certification due to someone in the household having a serious medical condition.

III. DEFINITIONS

Account Calculation – The process of determining the Customer's Prepayment balance by taking the total of payments received and subtracting the computed value of the total metered electric service consumed, along with any applicable Consumer Delivery Daily Access Charge, other charges, and taxes. There will be at least one Account Calculation per day, or there may be several per day, occurring after each Meter Reading and/or payment on the account. The account will be trued up during a monthly billing cycle process to account for under or over recovery of the daily prorated fixed charges due to a billing cycle of more or less than 30 days, to ensure that the amount billed is equal to the applicable rate.

Automatic Suspension – When electric service is made unavailable to a Customer using this tariff as result of the Customer incurring charges for electric service equal to or greater than the Customer's prepayments for such service.

Business Day – The 24-hour period beginning at 12:00:00 A.M. and ending at 11:59:59 P.M., excluding weekends and Cooperative holidays.

Consumer Delivery Daily Access Charge – The equivalent of the Minimum Monthly Consumer Delivery Charge under standard rate schedules, based on the comparable class Minimum Monthly Charge ÷ 30.4.

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Low Balance Notice - Notice provided to the Customer by the Cooperative when the Customer's Prepayment balance drops below a predetermined level set by mutual agreement between the Cooperative and the Customer. As a minimum, the predetermined level shall represent a reasonable approximation of five days of normal usage at the premises receiving Prepaid Electric Service. If the Cooperative does not have sufficient historic usage information for the customer or premise, the minimum notification level shall be set at \$25 until the Cooperative obtains sufficient usage information to establish a reasonable approximation for five days of normal usage.

Meter Reading - Accessing the meter at the Customer's location to determine the amount of electric service consumed since the previous reading.

Monthly Billing Cycle - The basis on which charges otherwise assessed monthly will be applied.

Prepayments - Any amount paid by the Customer in advance of using services provided under this rate schedule, as well as amounts due from the Customer that were previously agreed to as a condition of receiving service.

IV. CURRENT TERMS AND CONDITIONS NOT APPLICABLE TO SCHEDULE PE

- A. Article IV, Section B, Numbers 1 through 4. (Deposits)
- B. Article VII (Meter Readings, Billing and Payment)
- C. Article IX, Section B (Settlement of Charges and Fees)
- D. Appendix A- Schedule F - Fees, Items D and F

V. ADDED TERMS AND CONDITIONS APPLICABLE TO SCHEDULE PE

A. Deposits

1. The Cooperative shall not require a Customer utilizing Schedule PE to pay a deposit as a guarantee of payment for services provided by the Cooperative.
2. Deposits previously paid to the Cooperative as a guarantee of payment for services provided shall be returned to a Customer electing to be served under Schedule PE in accordance with Article IV. B. 5 of the Cooperative's current Terms and Conditions. Any remaining deposit amount to be returned to the Customer after satisfying delinquent balances may be applied, at the Customer's request, to the Prepayment balance.
3. The payment history of a Customer served under Schedule PE, with the exception of a payment not honored by the institution on which it is drawn, will not affect the Customer's credit status with the Cooperative and shall have no bearing on the establishment of acceptable credit as referenced in Article IV of the Cooperative's Terms and Conditions.

B. Commencing Service

1. A Customer seeking service under Schedule PE must establish a minimum \$25. Prepayment balance prior to receiving service. In addition, if a new service is being established, the Customer must also pay an Activation Fee in accordance with Schedule F, Item B.
2. If the Customer requesting to be served under Schedule PE is currently in good standing and receiving service under another rate schedule, a bill will be issued

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for the Customer's current charges. If payment for the current charges is not received by the Due Date, the Customer will be notified that payment is due immediately.

3. If commencement of service under Schedule PE does not coordinate with the start of the Monthly Billing Cycle, any monthly charges, such as those referenced in V. C. 6, below, shall be prorated according to the number of days remaining in Monthly Billing Cycle in which service under Schedule PE is initiated.
4. If there are outstanding amounts due the Cooperative after the final bill is rendered on an existing account, the Customer may request a payment plan agreement wherein a 50% portion of all payments from the Customer shall be applied to any outstanding balance due. The Cooperative may require that a portion of the total balance owed be paid prior to initiating service under Schedule PE. No Late Charges shall be applied to such outstanding balances while the Customer remains on Schedule PE. The Cooperative may enter into such a payment plan agreement at its sole discretion.

C. Billing, Meter Reading, and Payment for Service

1. No bills for electric service will be mailed to Customers utilizing Schedule PE. Billing details and usage data will be made available through the Cooperative's Internet-based account management service which includes Smart Phone applications, by way of the Cooperative's automated phone system, or by request to the Cooperative.

THE CUSTOMER IS RESPONSIBLE FOR MONITORING THE ACCOUNT BALANCE TO ENSURE THAT THE REMAINING PREPAYMENT AMOUNT IS ADEQUATE TO AVOID AUTOMATIC SUSPENSION OF SERVICE.

At the Customer's request and choice, the Cooperative will arrange to contact the Customer by way of an email, a text message, or an automated telephonic reminder call to the Customer, and a third party designated by the Customer, whenever the prepaid account balance drops below the Low Balance Notice level. As such, customers electing to be served under Schedule PE have the responsibility to maintain continuous access to one or more of the following: landline telephone service with voice messaging capability; active electronic mail service; active cellular phone service with voice messaging capability and/or texting capability; or internet service to access the Cooperative's Internet-based account management service.

2. The Customer may access account balance information by contacting the Cooperative, by way of the Cooperative's automated phone system and through the Cooperative's Internet-based account management service.
3. Prepayments for electric service may be made by any method available to Cooperative members, with the exception of automatic bank withdrawal. A minimum \$25 payment will be required for all payments regardless of the payment method.
4. An Account Calculation will be made after each Meter Reading and after each payment is applied to the account. The kWh consumed, as determined by the meter reading, will be multiplied by the kWh rates provided in Schedule PE, including the Power Cost Adjustment Schedule PCA and other applicable charges, to determine the cost of the electric service used by the Customer.

5. The cost of electric service used by the Customer, including any Daily Access Charge, other applicable charges, and applicable taxes, will be deducted from the Customer's Prepayments during the Account Calculation. Daily charges will be calculated and applied to the first Account Calculation of each day.
6. Charges otherwise occurring monthly, such as a minimum tax, will be prorated by dividing those charges by 30.4. The prorated charges will be applied to the first Account Calculation of each day of each Monthly Billing Cycle.
7. At the close of each bill cycle, monthly calculations will be reconciled to accumulated daily calculations. Any difference based on daily proration of Consumer Delivery Daily Access Charge, taxes, any other fixed monthly fee will apply as a balance due or balance owed on the next available calculation.
8. Recurring charges, such as the Consumer Delivery Daily Access Charge and those charges referenced in item 6, will continue to be applied to the first Account Calculation of each day as long as the account is active, regardless of whether electric service is consumed or service has been subject to Automatic Suspension. *To avoid recurring charges, the Customer must contact the Cooperative and request that service be disconnected and that a final bill be issued on the account.*
9. Payments will be applied first to any debit balance resulting from usage prior to an Automatic Suspension of electric service and then to establishing a Prepayment balance. No Late Charges shall apply to any such debit balance.
10. Whenever a Customer payment is returned for insufficient funds, inaccurate bank information, or a stop payment action, or is otherwise lawfully dishonored by the institution from which the payment is drawn, the Prepayment balance will be reduced by an amount equal to the dishonored payment plus a fee charged in accordance with Schedule F, Item G, and a new Account Calculation will be performed. If the resulting Prepayment balance reaches zero or a negative amount, the account will be subject to Automatic Suspension.
11. If a Customer served under this rate schedule elects to purchase outdoor lighting service under the Cooperative's available Outdoor Light Schedule OL the monthly rates for the type of fixture selected by the Customer shall be converted to a daily rate and applied to the first Account Calculation of each day. The daily rate for outdoor lighting shall be recalculated each time Schedule PCA is revised.
12. It may be necessary for the Cooperative to estimate a Customer's usage under Schedule PE in the event that meter equipment fails, communication is lost, or events occur outside of the Cooperative's control that prevent the accurate reading of prepaid metering equipment. No customer shall be disconnected for a negative balance so long as actual readings cannot be obtained.

D. Suspension and Reconnection of Electric Distribution Service

1. **WHEN THE AMOUNT OF ELECTRIC SERVICE USED EQUALS OR EXCEEDS THE CUSTOMER'S PREPAYMENTS, THE COOPERATIVE WILL ISSUE A NOTICE THAT SERVICE IS SUBJECT TO SUSPENSION IF NO PAYMENT ESTABLISHING A POSITIVE PREPAYMENT ACCOUNT BALANCE IS RECEIVED. NORMALLY, PAYMENT IS EXPECTED BY 8:00 AM OF THE NEXT BUSINESS DAY. HOWEVER, THE COOPERATIVE WILL PROVIDE A 24-HOUR GRACE PERIOD TO ESTABLISH A POSITIVE PREPAYMENT BALANCE. IF A POSITIVE PREPAYMENT BALANCE IS NOT ESTABLISHED AFTER THE 24-HOUR GRACE PERIOD, THAT IS, BY 8:00 AM OF THE**

SECOND FOLLOWING BUSINESS DAY, ELECTRIC SERVICE WILL BE AUTOMATICALLY SUSPENDED — WITHOUT ADDITIONAL NOTIFICATION.

2. Electric service will be made available within three hours of when the Cooperative receives payment re-establishing a positive Prepayment balance. Suspension of electric service may occur five Business Days a week, excluding Cooperative holidays, and will only take place between the hours of 8 a.m. and 4 p.m.
3. No Fees or Charges shall be applied as the result of Automatic Suspension or automatic reconnection of electric service.
4. If no payment sufficient to establish a positive Prepayment balance occurs within thirty (30) days of an Automatic Suspension, the account will be considered inactive and a final bill will be issued for any outstanding amounts due the Cooperative. An Activation Fee (Terms and Conditions, Appendix A – Schedule F, Item B) will be charged prior to the reconnection of service at that location.
5. A Customer seeking voluntary disconnection prior to an Automatic Suspension must contact the Cooperative and request that service be disconnected. Any Prepayments exceeding amounts owed to the Cooperative at the time of such Customer-requested disconnection shall be returned to the Customer.
6. A Customer using Schedule PE may transfer to another available tariff subject to the Cooperative's Terms and Conditions, including any applicable deposit requirements and Fees and Charges. Any Prepayment balance at the time of such transfer shall be returned to the Customer.
7. The Cooperative's Winter Disconnect Policy applies to Customers utilizing Schedule PE.
8. Meter Tampering, Current Diversion or Unauthorized Connection or Reconnection as outlined in Section IX. C in the current Terms and Conditions of Service will result in permanent disqualification from Schedule PE.

**ACCEPTED FOR FILING
DIVISION OF ENERGY REGULATION
STATE CORPORATION COMMISSION**

OCT 19 2016