



RULES AND REGULATIONS

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Section 1: DEFINITIONS

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

- A. COOPERATIVE: FreeState Electric Cooperative, Inc., 1100 SW Auburn Road, Topeka, Kansas 66615 (principal office), and 507 N Union Rd., McLouth, Kansas 66054 (registered agent), 785-478-3444, which furnished electric service under these Rules and Regulations.
- B. COMMISSION: The Kansas Corporation Commission of the State of Kansas, 1500 SW Arrowhead, Topeka, Kansas 66604, or any successor of such Commission having jurisdiction of the subject matter hereof.
- C. MEMBER: Any person, partnership, association, firm, public or private corporation, or governmental agency applying for or using electric service supplied by the Cooperative.
- D. RESIDENTIAL MEMBER: A Member applying for or using electric service at a home or farm service location occupied as a place of residence.
- E. TOWN: The area within the incorporated boundaries of communities for which the Cooperative may have submitted Town Rate Area Maps to the Commission.
- F. VILLAGE: The area within the unincorporated boundaries of communities for which the Cooperative may have submitted Village Rate Area Maps to the Commission.
- G. RURAL: All areas not included in the Town or Village area for which the Cooperative may have submitted Rural Rate Area Maps to the Commission.
- H. ELECTRIC SERVICE AGREEMENT: The application, agreement, or contract, pursuant to which the Cooperative supplies electric service to the Member.
- I. MULTIPLE RESIDENTIAL COMPLEX: Includes newly constructed mobile home courts and apartment buildings as well as renovated mobile home courts and apartment buildings where the renovation costs exceed fifty percent (50%) or more of the value of the building or structure. The term does not include: (a) operations catering predominately to transients such as hotels, motels, hospitals, rooming or boarding houses, recreational travel trailer parks, dormitories, rest homes, orphanages, and eleemosynary institutions or; (b) buildings and structures used essentially for general office, commercial, or industrial purposes.

Section 2: APPLICATION FOR SERVICE AND AGREEMENTS

- A. APPLICATION BY MEMBER: Application for electric service will be made in writing by Member to Cooperative on the Cooperative's Standard Agreement for Electric Service and Membership form, although the Member may, at the discretion of the Cooperative, be connected based on an oral request provided the written agreement is signed within ten (10) days thereafter. This Application becomes an Electric Service Agreement or contract when accepted in writing by the Cooperative, or upon establishment of service. The Cooperative may require a separate Electric Service Agreement for each class of service at the same or at each separate location.
- B. ADDITIONAL PROVISIONS:
 - (1) Electric service will be supplied to the Member under the provisions of the Cooperative's Articles of Incorporation, Bylaws, Member's Electric Service Agreement, the Cooperative's applicable Rate Schedules, and all Rules and Regulations adopted by the Board of Trustees, as such rules and regulations may be altered or amended by the Board from time to time, including any special Contract,

- Agreement, or Prepaid Service Agreement with the Member. The taking of electric service by a Member will constitute acceptance of, and an Agreement to be bound by, all such provisions. Any changes in Articles, Bylaws, Rate Schedules, or Rules and Regulations will act as a modification of the Electric Service Agreement then in existence without further notice to the Member.
- (2) The Member will furnish upon request sufficient 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 will be supplied.
- C. RATES: Rates for electric service will be those of the Cooperative currently in effect subject to applicability to the Members and subject to change. Copies of the Rate Schedules currently in effect may be reviewed by any Member at the Cooperative's principal place of business where they have been filed of record. Member's eligibility for service under any particular rate schedule shall be determined solely by the Cooperative based upon the eligibility criteria set forth in the rate schedule. In the event that the Member is eligible for service under one or more rate schedules, it shall be the sole responsibility of Member to determine the rate schedule under which the Member will receive service. In the event that Member makes no such election, the Cooperative may provide service under the rate schedule which the Cooperative determines to be applicable to the Member. The Cooperative shall not be liable, and shall be held harmless, from Member's failure to elect the appropriate rate schedule under which service shall be provided.
- D. TERM OF CONTRACT: Unless other specified, Electric Service Agreements will be effective on a month by month basis. Service will be continued until canceled by the Member upon proper notice to the Cooperative or in accordance with applicable Rules and Regulations or Bylaws.
- E. TEMPORARY SERVICE: Temporary service is defined as a non-established service intended to be removed following temporary usage. Temporary service may be supplied in accordance with the applicable Rate Schedule for the type of service to be supplied, except that there will be an additional charge paid in advance before service is established, which is determined as follows:
- (1) An amount equal to estimated labor, overhead and expendable material charges for both installation and removal of the temporary service, but in no event less than the Temporary Service Minimum Fee as filed in the Service Fees Rate Schedule; plus
 - (2) A security deposit or deposits, if required and in accordance with these Rules and Regulations.
- F. SEASONAL SERVICE: Seasonal service is defined as an established service for retention of idle facilities in which the Member plans to establish or resume service for the next seasonal period. Seasonal period is considered less than twelve (12) months. Seasonal usage may be supplied in accordance with the applicable Rate Schedule for the type of service to be supplied, except that there will be an additional charge paid in advance before service is established determined as outlined below.
- (1) Member covers all costs associated with the seasonal service.
 - (2) Member will be billed an annual \$300 Seasonal Service Disconnect/Reconnect Fee for the meter removal and installation associated with seasonal service.
 - (3) A security deposit or deposits, if required and in accordance with these Rules and Regulations.
- G. IDLE SERVICE:
- (1) An idle service is defined as non-energized metering or delivery point with no incurring electric usage charges.
 - (2) A landowner, or someone other than a landowner with the landowner's approval, may retain an idle service.
 - (3) Should a member request to reconnect a service that they had disconnected for a period of less than one (1) year, they will be billed the minimum charges as defined above when the service is reconnected.
 - (4) Any idle service which exists for a period of two (2) years or longer, is subject to removal at the discretion of the Cooperative.
 - (5) Should an idle service be removed, any subsequent service rebuild will be subject to the current line extension policy.
- H. LINE RETENTION: Following two (2) years of idle service status, should the Cooperative elect to remove the service at their discretion, the Cooperative will make a good faith effort to contact the affected Member/

Landowner to notify its intention to remove the service. If the Member requests to maintain the service, a Line Retention Fee as described in Section 11 will apply. Reestablishment to active status will follow the process of establishing new service.

- I. CHANGE IN OCCUPANCY: When a change of occupancy is to take place on any premises supplied with electric service by the Cooperative, the ingoing and outgoing Member will give written or oral notice to the Cooperative's office not less than seven (7) days prior to the date of change. If the connect or disconnect request is oral, a record, labeled in such a way as to enhance retrieval and utilizing a unique number and the Cooperative employee's name or code, should be made of the request. The record should be retained for at least four (4) months. The outgoing Member will be held responsible for payment of all electric energy recorded by the meter until the requested time of termination. If no such notice is given, the outgoing Member will be held responsible for electric energy recorded during the time in which the account continues to be in the Member's name as shown by the records of the Cooperative. The Member will not, by such notice be relieved of any obligations already accrued under the Electric Service Agreement or other contract with the Cooperative.

When a Member is moving from any premises supplied electric service by Cooperative to any other premises supplied electric service by the Cooperative, the Cooperative will transfer any unpaid balance to any other electric service account of the Member.

- J. RE-SELLING OR REDISTRIBUTING OF SERVICE: The electric service provided is for the sole use of the Member and the Member will not sell, share, or re-deliver electric service to any person, except where specifically provided by applicable Rate Schedule or special contract. Any infraction of this rule will be sufficient cause for discontinuance of service under Section 5 A (1)(h).
- K. IDENTIFICATION OF AN AGENT: A Member may designate an Agent on their membership account. Agent designation may be made either on the membership application or the landlord agreement. The designated Agent may access account information such as due date, amount of bill, status of account, and account information. Because the designated Agent is not an owner of the account, they do not have rights to the Capital Credit allocations or retirement payments. If the party requesting to add an Agent is currently a Member, the Member will be required to submit a new membership agreement containing the Agent's name, along with the Member's signature. The designated Agent will continue to have access to Member account information until FreeState receives notice from the Member in writing to terminate the Agent. Termination of the designated Agent will also occur if the Member deceases.
- L. REVERT-TO-LANDLORD AGREEMENT: The Revert-to-Landlord Agreement grants FreeState permission to transfer electrical service of a landlord's listed properties into the landlord's name as referenced in the landlord agreement. Per the Cooperative's Prepay Electric Program Agreement, if the tenant is enrolled in the Cooperative's prepay billing, the electricity may be disconnected ten (10) business days before the account becomes finalized. Following ten (10) days, the service will then be transferred to the landlord. The landlord must maintain current contact information with FreeState at all times. Delinquent payments made by the landlord may result in termination of all Revert-to-Landlord Agreements.
- M. SECURITY LIGHTS: Members requesting leased security lights will be responsible for all costs above the standard installation as referenced in the Construction and Service Standards. If a request for disconnection of a security light is less than twelve (12) months since the same member requested the security light to be connected, such member shall be billed for the remaining disconnected months. Member-owned equipment is not permitted to be installed on Cooperative-owned structures, unless authorized otherwise by the Cooperative in a joint-use agreement.

Section 3: CREDIT AND SECURITY DEPOSIT REGULATIONS

- A. ESTABLISHMENT AND MAINTENANCE OF CREDIT:
 - (1) Credit Information: The Member may be required to provide reasonable credit information to the Cooperative before service is made available. The Cooperative may request positive identification (identified as photo with name) from Residential Members. If positive identification is not immediately

- available, a Member providing a full deposit should have at least seven (7) days to secure positive identification.
- (2) Security Deposit Required: The Cooperative may, at the time of Application for service, require a security deposit to guarantee payment of bills for electric service rendered if:
 - (a) The Cooperative establishes that the Member has an unsatisfactory credit rating or has an insufficient prior credit history upon which a credit rating may be based.
 - (b) The Member has outstanding, with a utility, an undisputed and unpaid service account which accrued within the last five (5) years if the service agreement was signed, or three (3) years if service was provided after an oral agreement alone.
 - (c) The Member has, in an unauthorized manner, interfered with, or diverted or used (meter bypass), the service of a utility within the last five (5) years.
 - (3) The Cooperative may at any time after application for service, upon five (5) days written notice, require a deposit to guarantee payment of bills for utility service rendered if:
 - (a) The Member has outstanding, with the Cooperative, an undisputed and unpaid service account which accrued within the last five (5) years if the Service Agreement was signed, or three (3) years if service was provided after an oral agreement alone.
 - (b) The Member has, in an unauthorized manner, interfered with, or diverted or used (meter bypass), the service of the Cooperative within the last five (5) years.
 - (c) The Member fails to pay an undisputed bill before the delinquency date for three (3) consecutive billing periods.
 - (3) No deposit will be required because of a Member's race, sex, creed, national origin, marital status, age, number of dependents, source of income, geographical area of residence, or any other protected characteristic as outlined in RUS's Statement of Nondiscrimination.

B. CALCULATION AND PAYMENT OF SECURITY DEPOSIT:

- (1) The amount of the security deposit required will not exceed the larger amount of that Member's projected average of two (2) months bills, or an amount established by the Board of Trustees. If the Member has been documented to be diverting service (meter bypass), an additional deposit based on one (1) months' average use may be assessed.
- (2) All deposits can be paid in full prior to an account being transferred to a new Member or a satisfactory arrangement consisting of half of the deposit at the time of new service and half included on the first billing date.
- (3) For purposes of establishing security deposits and projecting monthly bills, the Cooperative may consider the length of time the Member can reasonably be expected to take service, past consumption patterns, end use of service, and consumption patterns of other similar Members. The amount of the cash security deposit or surety bond may be adjusted if the character or volume of the Member's service should change.
- (4) Security deposits will be non-transferable from one Member to another; however, upon termination of the Member's service at the service address, the Cooperative may transfer the security deposit to the Member's new active account. Disconnection for non-payment of security deposit will be governed by Section 5 A (1) (e) of these Rules and Regulations.
- (5) For purposes of this section, rate classes will be determined by applicable rates as determined by the Board of Trustees.

C. SECURITY DEPOSIT RECEIPTS:

- (1) The Cooperative will maintain a record of all security deposits received from Members showing the name of each Member, the address of the premises for which the security deposit is maintained, the date and the amount of the deposit, and the date and amount of interest paid.
- (2) When the Cooperative accepts a security deposit, a nonassignable receipt may be issued to the Member containing the following minimum information:
 - (a) Name of Member;
 - (b) Place of deposit;
 - (c) Date of deposit;
 - (d) Amount of deposit; and
 - (e) Cooperative name, address, and signature of the Cooperative employee receiving the deposit.

D. REFUND OF SECURITY DEPOSIT

- (1) Upon termination of service, if the security deposit is not to be transferred to the Member's new account, the Member's deposit will be refunded less any unpaid service bills including simple interest at a rate not less than that provided by K.S.A. 12-822 and amendments thereto; provided that, Member has paid all bills due the Cooperative and has allowed the Cooperative to remove its meters and equipment in an undamaged condition.
- (2) Security deposits taken from Residential Members who make non-delinquent payments of undisputed bills for electric service for twenty-four (24) consecutive months, will be credited with simple interest as provided above to their utility bills. Non-residential deposits may be retained until termination of service.
- (3) Interest payments on residential or non-residential deposits will be credited to the Member's bill at least once a year or when deposits are refunded.

E. SECURITY DEPOSIT NOT A WAIVER: The fact that a security deposit has been made will in no way relieve the Member from complying with the Cooperative's Rules and Regulations pertaining to the payment of bills, nor will it constitute a waiver or modification of the regular practices of the Cooperative providing for disconnection of service for non-payment of sums due the Cooperative for service rendered.

Section 4: BILLING

A. PAYMENT OF BILLS: All bills for electric service are due and payable upon receipt. Normally, bills will be sent by mail; however, the non-receipt of a bill by a Member will not release or diminish the obligation of the Member with respect to the full payment thereof, including penalties and interest. This provision also applies to Members who elect to receive their bill electronically.

B. CONTENTS OF BILL:

- (1) The Cooperative will normally bill each Member each billing period in accordance with its applicable Rate Schedules. Billings may be issued on a monthly, or other basis at the sole discretion of the Board of Trustees. Each service bill issued to a Member will show:
 - (a) The beginning and ending meter registration for the reading period, except that estimated billings will disclose that it is based on estimated usage;
 - (b) The date of the bill and if available, the date of the meter reading;
 - (c) The final date by which a payment can be received before a delinquency charge is imposed;
 - (d) The actual or estimated usage during the billing period;
 - (e) The amount due for prompt payment and the amount due after delinquency in payment;
 - (f) The fuel, power or energy cost adjustment in cents per kilowatt hour (¢/kWh) and the total amount of the adjustment due, if applicable.
 - (g) The amount of additional charges due for past due accounts, security deposits, non-payment fee, installment payments, and other utility charges authorized by the Board of Trustees;
 - (h) The total amount due for the current billing period;
 - (i) The amount due for franchise fee and sales taxes stated separately; and
 - (j) The address and telephone number of the Cooperative 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) The Cooperative may include on the bill for utility services other charges for special services designated clearly and separately from charges for utility service. Special charges are those not authorized by tariff, such as the sale of merchandise, installation or services performed in connection therewith. If the Member makes a partial payment for the total bill, the Cooperative will credit payment to oldest (aged) account balances first.
- (3) If the Member is paying in advance, each bill will 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 will 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 Cooperative. The adjustment will be calculated for a period between the last valid meter reading and the most recent meter reading by the Cooperative.

C. METER READING PERIODS: Unless otherwise provided in the Rate Schedules, meters will be read at intervals approximating the billing period.

- D. ESTIMATED USAGE:
- (1) The Cooperative may render a bill, other than a final bill, when service is discontinued or an initial bill, based on estimated usage pursuant to estimating procedures approved by the Board of Trustees if the bill is rendered when the Cooperative is unable to obtain an actual meter reading for whatever reason.
 - (2) The Cooperative may render a bill based on estimated usage as a Member's final or initial bill pursuant to estimating procedures when an actual meter reading cannot be taken because of a broken meter or other equipment failure.
 - (3) The Cooperative may render a bill based on estimated usage when the Member is paying in advance for usage where payments are based upon an estimated or projected average.
 - (4) When the Cooperative renders an estimated bill in accordance with this Section it will:
 - (a) Maintain accurate records of the reasons therefore and efforts made to secure an actual reading;
 - (b) Clearly disclose on the bill that it is based on estimated usage; and
 - (c) Make any appropriate adjustment upon subsequent reading of the meter.
 - (5) All adjusted bills and bills covering more than a one-month period will be based on increasing the length of the rate blocks according to the number of months involved, i.e., the rate blocks will be doubled for a two-month reading, tripled for a three-month reading, etc. Adjustments will not be prorated for less than a one-month period. Adjusted bills will show the credit due the Member for amounts paid that were based on the Member's readings or the Cooperative's estimate and will show the balance due and payable.
 - (6) Fuel, power, or energy cost adjustments covering more than a one-month period will be based on the most recent adjustment clause currently in effect.
- E. CASH PAYMENT: The Cooperative may require that the Member make payment of bills by cash, certified checks, or money orders.
- F. RETURNED CHECK CHARGE: The Cooperative may require from the Member a Returned Check Charge, as filed in the Service Fees Rate Schedule, for Member checks returned for insufficient funds or any other reason.
- G. TAX ADJUSTMENT:
- (1) Special Taxes: When any city, county, state, or other taxing sub-division imposes a franchise fee, occupation, business sales, license, excise, privilege, or similar tax of any kind on the Cooperative, the amounts thereof insofar as practical, will be charged on a prorate basis to all Members receiving electric service from the Cooperative within the boundaries of such taxing sub-division. This tax charge, in all cases, will be in addition to the regular charges for electric service.
 - (2) Gross Receipts Tax: Where a tax is levied on a percentage of gross receipts, that percentage will be applied to each affected Member's bill, and the amounts so computed will be added to each Member's regular billing until such Member's proportionate share of the total tax is paid. The prorata tax applicable to each Member will be identified on the Member's billing as such.
- H. RESIDENTIAL BUDGET PAYMENT PLAN:
- (1) Availability: The Budget Payment Plan is, by mutual agreement between the Member and the Cooperative, available to any qualifying Town, Village, or Rural Residential Member.
 - (2) Estimated Bills: At the request of any qualifying Member, the Cooperative will submit an estimated bill based on the average of the bills rendered for the current month and the preceding eleven months or an estimated bill for electric service to be rendered during the contract period, which divided by the number of months in such contract period, will be the monthly installment.
 - (3) Conditions of Budget Payment Plan: The Member will be entitled to receive electric service under the Budget Payment Plan provided Member will agree:
 - (a) To pay each monthly installment on or before the penalty date thereof;
 - (b) To pay the late payment charge provided in these Rules and Regulations if a bill becomes delinquent;
 - (c) That failure to pay any monthly installment on or before the delinquent date for any three (3) monthly billings during the preceding twelve (12) billings may be cause for termination by the Cooperative of the Budget Payment Plan with respect to Member, in addition to other remedies permitted by these Rules and Regulations.
 - (d) That the estimate will apply only to the premises then occupied by Member and that if such premises are vacated during the period covered by said estimate, the Budget Payment Plan with respect to Member will immediately terminate;

- (e) That if the Budget Payment Plan is terminated, any amount or amounts payable by or due to Member on account of the metered service during the period covered by the plan will be billed or credited to Member at once;
 - (f) That until terminated by either party, the Budget Payment Plan will be renewed automatically;
 - (g) That the Budget Payment Plan will be reviewed by the Cooperative every three (3) months and the monthly installment payment will be revised if it appears at any time on review that the debit or credit balance at the end of the contract period will substantially exceed the estimate.
- I. DELINQUENT BILLS:
- (1) Bills for electric service will be deemed delinquent if payment thereof is not received by the Cooperative or its authorized agent on or before the date stated on the bill.
 - (2) When a bill becomes delinquent, a monthly penalty charge in an amount equal to seven percent (7%) of the delinquent amount owed, plus all applicable sales tax, for electric service will be added to the Member's bill and collection efforts by the Cooperative will be initiated. This monthly seven percent (7%) charge shall apply to all months and amounts where a delinquent amount exists.
 - (3) If the last calendar day for remittance falls on a day when the Cooperative's office is not open to the general public, the final payment date will be extended through the next business day.
- J. DEFAULT: Failure of the member to conform to these Rules and Regulations or to pay any amount due the Cooperative under the Member's Electric Service Agreement in the full amount due before becoming delinquent will constitute a default by the Member in his or her Electric Service Agreement.
- K. BILLING OR OTHER ERROR(S): In the event that a billing or other error by the Cooperative results in a member being undercharged for the actual amount of electricity provided to the member by the Cooperative, then upon discovery of the error, and regardless of the cause or duration of the error, the Cooperative will issue a supplemental billing reflecting the corrected amount owed by the member; and the member shall remit payment to the Cooperative for such supplemental billing. The Cooperative may make arrangements for the payment of such supplemental billing on an installment basis, subject to such terms and conditions as may be approved by the CEO.

Section 5: DISCONTINUANCE OF SERVICE

- A. COOPERATIVE'S REFUSAL OR DISCONTINUANCE OF SERVICE:
- (1) Electric service may be refused or discontinued by the Cooperative:
 - (a) When requested by the Member;
 - (b) When the service is abandoned;
 - (c) When Member's bill for electric service or other charges becomes delinquent, as provided in Section 4 I, whether the bill is based on Member's meter reading, Cooperative's meter reading, or Cooperative's estimate of consumption;
 - (d) Immediately, when an unsafe or dangerous condition exists on the Member's premises;
 - (e) When the Member fails to provide credit information, security deposit as set forth in Section 3 A, or has a previous undisputed and unpaid separate account for electric service with the Cooperative;
 - (f) Immediately when member is proved to have misrepresented his or her identity for the purpose of obtaining electric service;
 - (g) When Member refuses to grant Cooperative personnel access to equipment installed upon the premises of the Member for the purpose of inspection, meter reading, maintenance or replacement;
 - (h) Immediately, when the Member violates any rule of the Cooperative that adversely affects the safety of the Member or other persons, or the integrity of the Cooperative's delivery system;
 - (i) Immediately, when Member causes or permits unauthorized interference with, or diversion or use of (meter bypass), Cooperative's service situated on or about the Member's premises;
 - (j) Immediately, upon the Cooperative being notified that the Member's check is being returned by the bank due to insufficient funds, closed account, or any other reason beyond the Cooperative's control, that was received for payment on a service that was discontinued or terminated as delinquent.
 - (k) When an individual or a Member has an outstanding debt with the Cooperative; or

- (l) Immediately upon the Cooperative being notified that the Member's check is being returned by the bank due to insufficient funds, closed accounts, or any other reason beyond the Cooperative's control, that was received for payment of an Aid-In-Construction amount or a deposit amount.
- (2) The following reasons will not constitute sufficient cause for the Cooperative to threaten or discontinue electric service or threaten or refuse service:
 - (a) The Member's failure to pay for service received at a concurrent and separate metering point, residence, or location if there exists a legitimate, good faith dispute as to the validity of such bill.
 - (b) The Member's failure to pay for a different class of service received at the same location if there exists a legitimate, good faith dispute as to the validity of such bill. The placing of more than one meter at the same location for the purpose of billing the usage of specific devices under optional Rate Schedules or provisions is not construed as a different class of service for the purpose of this rule;
 - (c) The Member's failure to pay a bill which is in dispute; provided, however, that the Member pays that portion of the bill not in dispute;
 - (d) Because an individual who neither signed the Service Agreement on an account in arrears, nor agreed orally at the time service was established to be responsible for it, wants to put the account in his or her name. The only exception to this is when the individual and the Member of record lived together when the debt was incurred and continue to live together.
- (3) In the event of discontinuance or termination of electric service at a separate metering point, residence, or location in accordance with these Rules and Regulations, the Cooperative may transfer any unpaid balance to any other electric Service Account opened by the Member and may discontinue service at such successive metering point, residence, or location for nonpayment of such transferred account.

B. POSTPONEMENT OF DISCONTINUANCE IN SPECIAL CIRCUMSTANCES:

- (1) The Cooperative may, at its discretion, postpone discontinuance of service if the Member is able to establish that discontinuance of service would be especially dangerous to the health of the Member, resident member of the Member's family, or other permanent resident of the premises where service is rendered by obtaining a statement signed by a physician or public health official verifying that fact and forwarding or presenting it to the Cooperative office prior to the date of disconnection.
- (2) If creditworthiness merits, the Cooperative will postpone disconnection for nonpayment upon the signing of an agreement indicating payment arrangements acceptable to the Cooperative. It is the responsibility of the Member to request such a postponement.

C. DISCONNECT PROCEDURE:

- (1) Except for discontinuance pursuant to Section 5 A (1) (a), (b), (d), (h), and (i) the Cooperative will not discontinue service unless:
 - (a) At the time of proposed discontinuance, for one (1) hour after discontinuance, the Cooperative office or authorized personnel identified in the notice given are open or available to the Member for the purposes of making pay arrangements, preventing discontinuance or obtaining reconnection; and
 - (b) The Cooperative employee who is to disconnect service is also authorized to accept payment of amounts due for utility charges and thereby either avert disconnection or provide for reconnection.
- (2) The Cooperative employee who is to disconnect service will adhere to the following procedure unless such disconnect is covered by (3) below.
 - (a) Under safe conditions, immediately preceding the discontinuance of service, a reasonable effort will be made to:
 - i. Contact and identify himself or herself to the Member or responsible person then upon the premises and announce the purpose of his or her presence;
 - ii. Accept payment of all amounts tendered which are necessary to avert disconnection; and
 - iii. Record statements concerning the medical condition of any permanent resident of the premises.
 - (b) If contact with the Member is not made, the employee will leave a notice upon the premises in a manner conspicuous to the Member disclosing the date of discontinuance and giving the address and telephone number of the Cooperative or where the Member may arrange to have service restored.
- (3) Disconnect procedure for locations where a remote disconnect device is installed:
 - (a) Immediately preceding the discontinuance of service, the Cooperative will make a reasonable effort by manual phone call or automated message dialing to:
 - i. Contact and identify himself or herself to the Member or responsible person then upon the premises and announce the purpose of his or her phone call;

- ii. Accept payment of all amounts tendered which are necessary to avert disconnection, including use of a secure payment phone number; and
- iii. Record statements concerning the medical condition of any permanent resident of the premises.
- (b) If contact with the Member is not made, the Cooperative, if possible, will leave a message on the Member's answering machine disclosing the date of discontinuance, and giving the address and telephone number of the Cooperative or where the Member may arrange to have service restored.
- (c) Through the automated message dialing system, the Member will have the ability to opt-out of such dialing. If the Member chooses to elect the opt-out option, the automated message dialing system will no longer call the Member and will be logged in the Cooperative's system as such. Opting out does not relieve Member of paying the bill or being disconnected.

D. RESTORATION OF SERVICE:

- (1) The Cooperative will restore service when the cause of discontinuance of service has been eliminated, all applicable restoration fees, including but limited to, usage charges up to the removed meter reading, and, if required, satisfactory credit arrangements have been made.
- (2) Under normal circumstances, no restoration of service will take place during non-business days or non-business hours.

E. REVIEW OF DISPUTES:

- (1) When a member advises the Cooperative prior to the date of the proposed discontinuance of service, that all or any part of the billing as rendered is in dispute or that the Cooperative's reasons for discontinuance are factually invalid, the Cooperative will:
 - (a) Immediately record the date, time, and place the complaint is made;
 - (b) Postpone discontinuance until a full investigation is completed and the dispute is found to be invalid;
 - (c) Investigate the dispute promptly and completely; and
 - (d) Attempt to resolve the dispute informally and in a manner mutually satisfactory to both parties.
- (2) A Member may advise the Cooperative that a bill is in dispute in any reasonable manner such as by written notice, in person, directed to the appropriate personnel of the Cooperative.
- (3) The Cooperative, in attempting to resolve the dispute in a mutually satisfactory manner, may employ telephone communication, personal meetings, formal or informal hearings, on site visits, or any other techniques reasonably conducive to settlement of the dispute.
- (4) In the event that a dispute is not resolved to the satisfaction of the Member, after full investigation, the Cooperative intends to proceed with discontinuance, the Cooperative will notify the Member of the date, place, and time at which a hearing will be conducted by the Cooperative for the purpose of determining whether or not service should be disconnected pursuant to these rules and regulations. The general manager, acting as the hearing officer, shall review the evidence as set forth by the Member. The hearing officer's decision will be announced at the meeting or mailed to the parties at a later date. Should the Member disagree with the hearing officer's ruling, the Member may request a meeting with the Board of Trustees. This meeting shall be in accordance with current board policies dealing with Member Attendance at Board Meetings. The Board of Trustees' decision will be announced at the meeting or mailed to the parties at a later date.

F. COLLECTION, DISCONNECTION, AND RECONNECTION CHARGES:

- (1) If electric service is disconnected for any of the reasons stated in Section 5 A (1) the Cooperative will require a non-payment fee as filed in the Service Fees Rate Scheduled and specified in the Electric Service Agreement. A non-payment fee will also be assessed to a Member tenant account identified under a Landlord Agreement for non-payment.
- (2) Any non-payment fees and all other utility charges due will be paid before service is restored. These charges are in addition to any deposit which may be required by the Cooperative before service is restored.

Section 6: MEMBER'S SERVICE OBLIGATIONS

- A. **MEMBER TO FURNISH RIGHT-OF-WAY:** The Member will provide or procure for the Cooperative at his expense such rights-of-way (including permission to trim or remove any trees that may interfere with the operation of the Cooperative's facilities) as are satisfactory to the Cooperative, across property owned or otherwise controlled by the Member, for the construction, operation, and maintenance by the Cooperative of its

facilities necessary or incidental to the supplying of such electric service. This pursuant to K.S.A. 17-4627, no action or suit may be brought against a cooperative doing business in this state pursuant to this act, or against any agent, servant or employee thereof, by reason of the maintenance of electric transmission or distribution lines on any real property after the expiration of a period of two (2) years of continuous maintenance of such lines without the consent of the person or persons legally entitled to object to such maintenance.

- B. ACCESS TO MEMBER'S PREMISES: The Member shall give the duly authorized agents and employees of the Cooperative full and free access to the premises of the Member for the purpose of constructing, installing, inspecting, adjusting, repairing, maintaining, replacing, or removing any of the Cooperative's facilities on the premises of the Member, reading meter, or for any purpose incidental to the electric service supplied by the Cooperative.
- C. MEMBER'S INSTALLATION:
- (1) Service entrances, switch boxes, service cabinets, switches, fuse blocks, conduit, wiring, connections and other equipment, and the installation thereof for the reception, use, and control of electric energy by the Member shall be of the type approved by the Cooperative and shall meet the requirements of the National Electric Code and comply with all state and local codes insofar as they apply.
 - (2) Any and all wiring, appliances, or equipment required to transform, control, regulate, or utilize beyond the point of delivery the electric service supplied by the Cooperative which are furnished, installed, and maintained by the member shall be the sole responsibility of the Member.
 - (3) The Member agrees to repair and replace when necessary, all wires and appurtenances furnished by the Member for reception and use of electric service in a safe condition and in compliance with the National Electrical Code and all state and municipal codes insofar as they apply.
- D. PROTECTION OF MEMBER'S EQUIPMENT:
- (1) The Member shall be responsible for determining whether the Member's installation and all portions thereof, are and will be suitable for operation at the voltage, phase, and other characteristics of the class of service to be supplied by the Cooperative.
 - (2) The protection of the Member's equipment is the full responsibility of the Member. Any Member desiring protection against interruptions, phase failure, phase reversal, voltage variations, or other temporary irregularities or failure of part or all of the electric service shall, at his own expense, furnish on such Member's installation such protective equipment.
- E. DANGEROUS OR DISTURBING USES: The Member shall use the electric service supplied by the Cooperative with regard to the effect of such use on the Cooperative's electric service to its other Members and on the facilities and equipment of the Cooperative. The Cooperative may refuse to supply electric service or may suspend electric service to a Member immediately, without notice under Section 5 A (1), if the Member's installation is in an unsafe or dangerous condition or is so designed or operated as to disturb or adversely affect the safety of the Member or other persons, or the integrity of the Cooperative's delivery system.
- F. INSPECTIONS AND RECOMMENDATIONS: The responsibility of the Member regarding his use of the electric service supplied by the Cooperative is not set aside, and the Cooperative shall in no way be liable or responsible, on account of any inspections or recommendations by the Cooperative which are made as a courtesy to the Member or as a protection to the electric service supply by the Cooperative to its other Members. The Cooperative reserves the right, but assumes no duty, to inspect the Member's installation and facilities for suspected unsafe conditions.
- G. DEFECTIVE MEMBER EQUIPMENT: Defective appliances or fixtures shall be disconnected immediately and properly repaired before further use. Defective appliances or fixtures includes 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 the Cooperative immediately.
- H. CONSTRUCTION OR USES AFFECTING COOPERATIVE'S EQUIPMENT: Member shall consult with the Cooperative before causing or permitting any construction that will affect any of the Cooperative's service facilities or equipment. Member shall not, without written consent of the Cooperative, enclose any exposed portion of service facilities, use any of the poles, wires, structures, or other facilities of the Cooperative for

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

I. PROTECTION OF COOPERATIVE'S PROPERTY:

- (1) The Member at all times shall protect the property of the Cooperative on the premises of the Member and shall permit no person other than the employees and agents of the Cooperative and other persons authorized by law to inspect, work on, open or otherwise handle the wires, meters, or other facilities of the Cooperative. Any infraction of this rule shall be considered sufficient cause for discontinuance of service immediately, without notice under Section 5 A (1).
- (2) In case of loss or damage to the property of the Cooperative on account of any carelessness, neglect, tampering, or misuse by the Member, any members of his family, or his agents, servants, or employees, the Member shall reimburse the Cooperative for the cost of any necessary repairs or replacements of such facilities or the value of such facilities.

J. TAMPERING OR FRAUDULENT USE OF COOPERATIVE'S FACILITIES:

- (1) The Cooperative may discontinue service to a Member under Section 5 A (1) and remove its facilities from the Member's premises, in case evidence is found that any portion of the Cooperative's facilities have been tampered with in such manner that the Member may have received unmetered service or in the event evidence of fraudulent use of electric service in any manner, including fraudulent meter reading, is discovered.
- (2) In such event, the Cooperative may require the Member to pay all bills, including a bill for such amount of electric service as the Cooperative may estimate from the estimated charges for lost kWh for the previous 12 months, from available information, to have been used but not registered by the Cooperative's meter or otherwise fraudulently used, and to increase the amount of his cash security deposit or surety bond, or other credit arrangement, and pay all damages to Cooperative owned equipment, if any, before electric service is restored. In addition, before service is restored, the Member shall be required to bear all costs incurred by the Cooperative for such protective equipment as, in the judgment of the Cooperative, may be necessary and give satisfactory assurance that such tampering and fraudulent use of electric service will be discontinued.
- (3) The existence of tampered connections, meters or devices which operate to cause diversion or fraudulent use of electric service, shall be taken as prima facie evidence of diversion of electric service by Member.

K. INDEMNITY TO COOPERATIVE:

- (1) The Member shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs or expense, or loss, damage, injury or death to persons or property, in any manner directly or indirectly connected with, or growing out of the distribution or use of electric service by the Member at or on the Member's side of the point of delivery.
- (2) The Member shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs or expense for trespass, injury to persons, or damage to lawns, trees, shrubs, buildings, or other property that may be caused by reason of or related to installation, maintenance, or replacement of Cooperative's service lines or other necessary appurtenances to serve Member, unless the injury to persons or damage to property has been caused by willful default or negligence on the part of the Cooperative.

L. PARALLEL OPERATION: No Member shall operate or permit operation of electric generating equipment in parallel with electric service supplied by the Cooperative except as may be permitted under a special Electric Service Agreement. Any infraction of this rule shall be sufficient cause for discontinuance under Section 5 A (1).

- M. NET-METERING: All net-metering installations shall be operated per Cooperative policy and applicable tariffs. Prior to being energized, all net-metering installations must be inspected and approved by a Kansas licensed professional engineer or licensed electrician in the State of Kansas.

Section 7: COOPERATIVE'S SERVICE OBLIGATIONS

A. OVERHEAD AND UNDERGROUND SERVICE INSTALLATION

- (1) Installation of Service Wires to Pole: The Cooperative will install overhead service wires from the distribution pole line to a pole located on or adjacent to the Member's property. The Cooperative will designate the point at which the pole will be located, and overhead service wires will be brought to the poles for attachment to the Member's entrance wires. The pole and the meter equipment thereon shall be furnished in accordance with the Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by the Cooperative. All service entrance wires and appurtenances thereto beyond this point shall be supplied and maintained by the Member.
- (2) Installation of Service Wires to Building: Under exceptional conditions the Cooperative may elect to install overhead and underground service wires from the distribution pole lines to the exterior of one of the Member's buildings. The Cooperative will designate the point to which its service wires will be brought on the exterior of the building for attachment to Member's service entrance wires. Metering equipment attached to the building shall be furnished in accordance with the Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by the Cooperative. All service wires and appurtenances thereto beyond this point shall be supplied and maintained by the Member.
- (3) All overhead service installations will be administered in accordance with the Cooperative's Construction and Service Standards.
- (4) The Cooperative shall determine those areas where underground electric facilities shall be furnished in accordance with the Cooperative's Construction and Service Standards.
- (5) No run underground primary should exceed 800 feet. Runs greater than 800 feet will require a sectionalizing device such as a primary elbow cabinet.
- (6) A Member desiring existing overhead electric facilities to be replaced by underground facilities, shall pay for the total cost of the conversion and underground facilities less material salvage, if any.
- (7) Any Member desiring underground service to his building shall furnish and install, at his own expense, the necessary conduit, master breaker, or main fuse disconnects, underground wires and appurtenances at the point of delivery located on or adjacent to the Member's premises, and all wires and appurtenances to be installed beyond this point of service.
- (8) Where underground service is installed, the transformer, meter pedestal and meter equipment thereon shall be furnished in accordance with the Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by the Cooperative.

- B. ENERGIZING BY COOPERATIVE ONLY: Only authorized Cooperative employees shall be permitted to energize the Cooperative's facilities. Any infraction of this rule shall be sufficient cause for discontinuance of service under Section 5 A (1).

C. DELIVERY OF ELECTRIC SERVICE:

- (1) The obligation of the Cooperative to supply electric service shall be completed by the supplying of such electric service at the Member's point of delivery. The responsibility of the Cooperative for the quality of service and operation of its facilities ends at the point of delivery. The Member is responsible for all locates beyond the Cooperative's point of delivery.
- (2) The point of delivery at which electric energy is furnished to the Member is defined in the Cooperative's Construction and Service Standards.
- (3) The Cooperative will not be liable for any loss, damage, or injury whatsoever caused by leakage, escape, or loss of electric energy after it has passed the point of delivery, nor for defects in the Member's wiring, appliances, or equipment.
- (4) The Cooperative shall be required only to furnish, install, and maintain one connection from its distribution facilities, service conductors from such connection to the Member's point of delivery, and one-meter installation to measure such electric service to the Member for each class of service.

- (5) The Cooperative shall not be obligated to supply electric service to a Member for a portion of the electrical requirements on the premises of the Member, except pursuant to a special Electric Service Agreement as required in Section 6 L.
- D. **PROPERTY OF THE COOPERATIVE:** All facilities furnished and installed by the Cooperative on the premises of the Member for the supply of electric service to the Member shall be and remain the exclusive property of the Cooperative. All facilities on the premises of the Member which are or become the property of the Cooperative shall be operated and maintained by and at the expense of the Cooperative, may be replaced by the Cooperative at any time, and may be removed by the Cooperative upon termination of the Member's Electric Service Agreement or upon discontinuance by the Cooperative of electric service to the Member for any reason.
- E. **CONTINUITY OF SERVICE:** The Cooperative will use reasonable diligence to supply continuous electric service but does not guarantee the supply of electric service against irregularities or interruptions. In no event shall the Cooperative be liable for damages from irregularities or interruptions of service, caused by, but not limited to, failure of facilities, breakdowns or injury to equipment, extraordinary repairs, an act of God, public enemy, accidents, labor disturbance, strikes or their equivalent, sabotage, legal process, federal, state, or municipal interference's and restraint by public authority, any emergency, or any cause beyond the Cooperative's control.
- F. **CURTAILMENT, INTERRUPTION, OR SUSPENSION OF SERVICE:** The Cooperative shall have the right to curtail (including voltage reduction), interrupt, or suspend electric service to the Member as may be necessary for the inspection, maintenance, alteration, change, replacement or repair of electric facilities, or for the preservation or restoration of its system operations or of operations on the part of the interconnected electric systems of which the Cooperative's system is a part, or as directed by any federal, state, or municipal authority.
- G. **RESTORATION OF SERVICE:**
- (1) In all cases of curtailment, irregularity, interruption, or suspension of service, the Cooperative will make every reasonable effort to restore service without necessary delay. Labor disturbances affecting the Cooperative or involving employees of the Cooperative may be resolved by the Cooperative at its sole discretion.
 - (2) The Cooperative shall not be considered in default of the Electric Service Agreement with Member and shall not otherwise be liable for any damage occasioned by any curtailment, irregularity, interruption, or suspension of electric service. The Member shall not be relieved from charges provided for in the Electric Service Agreement and Rate Schedules because of curtailment, irregularity, interruption, or suspension of electric service.
- H. **POLE ATTACHMENTS/JOINT USE AGREEMENTS:** Member-owned equipment is not permitted to be attached to Cooperative-owned structures, unless otherwise authorized in a Joint Use Agreement.
- I. **LIABILITY OF COOPERATIVE:** The Cooperative shall not be considered in default of the Electric Service Agreement and shall not otherwise be liable on account of any failure by the Cooperative to perform any obligation if prevented from fulfilling such obligation by reason of any delivery delay, breakdown or failure of or damage to facilities, an electric disturbance originating on or transmitted through electrical systems with which the Cooperative's system is interconnected, an act of God, public enemy, strike, or other labor disturbance involving the Cooperative or the Member, civil, military, or governmental authority, or any cause beyond the Cooperative's control.

Section 8: LINE EXTENSIONS

- A. **AID-IN-CONSTRUCTION (AIC) FOR NEW POINTS OF SERVICE:**
- (1) The Cooperative will contribute an AIC based on the average cost of line extension including one (1) maximum overhead primary span of wire, one (1) transformer, one (1) pole, one (1) meter loop, and associated appurtenances toward the cost of establishing a new point of service for a residential dwelling. The Cooperative defines a residential dwelling as any building, structure, manufactured home, or mobile home that is intended for full time human habitation, and it has to have a bathroom with functional plumbing

as well as provisions for cooking and sleeping. Any building, structure, manufactured home, or mobile home used for Vacation or seasonal purposes shall not qualify.

- (2) Furthermore, an individual wishing to receive the AIC is required to have the following:
 - (a) Permanently attached to a fixed foundation
 - (b) An established source of water from a well or public water system
 - (c) An established sewer or septic system
- (3) The Member seeking service will be required to pay all costs above the AIC.
- (4) The Member's portion must be paid in full before the new service can be released for construction.
- (5) The cost to build each new service shall be calculated using unit costs and construction specifications established by Rural Utilities Services' Specifications.
- (6) If a member requests underground service, the member is responsible for providing a trench dug to the Cooperative's specifications and backfilling the trench, in addition to any AIC that might be required.
- (7) If a Member requests to build any non-residential dwelling service prior to building a residential dwelling, the member must pay the full AIC. If a Member builds the residential dwelling within 24 months of the non-residential dwelling being energized, FreeState will refund the member the amount equal to the Cooperative's contribution to the AIC from the time of initial installation. The Member must begin the process of residential dwelling construction within 24 months, and must complete construction within 36 months. Refund will be approved upon inspection to include permanent electric service installed and connected to metered supply.

B. UNDERGROUND INSTALLATIONS IN RESIDENTIAL SUBDIVISIONS:

- (1) Underground service in a subdivision can be provided if the Cooperative's judgement does not deem the physical layout of the subdivision, the terrain, and/or soil conditions to be unfeasible, impracticable or hazardous to installation of underground electric distribution facilities.
- (2) All subdivisions with lots not more than three-fourths of an acre, the owner/developer shall pay the Cooperative an owner/developer fee of \$500.00 per lot and provide the initial trench dug to Cooperative specifications, prior to the infrastructure being constructed. The Cooperative will be responsible for the future repair/replacement of failed underground infrastructure in these areas.
- (3) All subdivisions with lots more than three-fourths of an acre, the developer of the subdivision will pay the cost to install the main distribution lines as determined by the Cooperative. The facilities needed to connect each individual lot to the main distribution line will be treated as a new line extension as described in Section 8 A.
- (4) The Cooperative reserves the right to enter into special contracts for service to subdivisions, as it deems necessary.

C. SERVICE TO GAS AND/OR OIL PRODUCTION, TRANSMISSION, OR HOLDING FACILITIES

- (1) The Member will be responsible for an AIC amount for each electric meter established equal to the estimated cost of construction.

D. SPECIAL CONTRACTS FOR SERVICE:

- (1) Notwithstanding any of the previous provisions, where it is necessary to make extensions or reinforce distribution lines to provide service such that in the sole judgment of the Cooperative, the revenue to be derived from, or the duration of the prospective business is not sufficient under the above-stated monthly Member charge to warrant the investment, the Cooperative may require any one or more of the following of the Member before construction of equipment or facilities to supply service:
 - (a) An adequate monthly Member Charge calculated upon reasonable considerations
 - (b) A cash contribution in advance
 - (c) An acceptable guarantee or bond
- (2) In such cases, the Member shall enter into a written contract with the Cooperative as to character, amount, and duration of the business offered. No interest shall accrue or be payable on any cash contribution required by the Cooperative.

- E. COMMERCIAL ECONOMIC INCENTIVE PROGRAM:** The Cooperative may provide economic development incentives for new and existing commercial accounts. Commercial members requesting new single phase or multi-phase service may be offered optional financial arrangements for the payment of the estimated AIC costs. All project proposals are subject to review and approval of the Cooperative's Engineering Department. Based on the engineering analysis and loading requirements, the Cooperative will confirm necessary system upgrades to

meet the Member's needs while avoiding a negative impact on other Members. Any optional financial arrangements for AIC shall meet the following terms and conditions:

- (1) Eligibility: Only non-residential accounts, subscribing to West District Rates 30, 32, or 50 or East District rates 111, 112, 114, 131, 132, 135, or 136, are eligible for the program. Commercial enterprises located in residential areas or "home-based businesses" are not eligible for the program.
- (2) Payment terms will be agreed upon with the Member and the Cooperative, and accepted over a maximum time period of 36 months.
- (3) Interest charges on payments will be determined by the Cooperative's current cost of capital plus 100 basis points.
- (4) A 2% discount to construction costs may be offered in lieu of payment terms, if the member elects to a 100% up-front payment.

Section 9: METERING

- A. METERING OF SERVICE: Cooperative will furnish and install at its expense, all metering installations in accordance with the Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances. FreeState's standard meter-base is outlined in the Construction and Service Standards. Any requests for deviation from the standard meter-base will be evaluated on an individual basis and additional charges may apply. The Cooperative may install a remote disconnect device at any metering location.
- B. SEPARATE METERING: Where Cooperative's Rate Schedules provide for separate metering of different classes of service, Member's wiring shall be so arranged that each class of service can be metered separately. Not more than one set of service wires will be run to one building or premises for each class of service furnished to the Member.
- C. METER INSTALLATIONS:
 - (1) New Cooperative-owned meters shall not be installed on Member-owned structures. Existing Cooperative-owned meters installed on member-owned structures may be relocated as required by the Cooperative in accordance with the Cooperative's Construction and Service Standards.
 - (2) Changes requested by the Cooperative that involve the replacement or relocation of Cooperative's service wires, metering equipment, poles, etc., and in the Member's entrance wires, entrance switches, etc., shall be provided at the Cooperative's expense.
 - (3) Changes requested by the Member that involve the replacement or relocation of Cooperative's service wires, metering equipment, poles, guys and anchors, etc., which are above the Cooperative's meter service standards as defined in the Cooperative's Construction and Service Standards, shall be provided at the Member's expense.
- D. METERS AND METER SEALS: Seals will be placed on all meters or meter enclosures by Cooperative and such seals shall not be broken or disturbed by anyone other than authorized representatives of the Cooperative. Only qualified personnel authorized by the Cooperative are permitted to energize and deenergize services.
- E. METER ACCURACY AND TESTING:
 - (1) The accuracy and testing of Cooperative's meters shall be in accordance with these Rules and Regulations.
 - (2) Whenever any test by the Cooperative of a watt-hour meter, while in service or on its removal from service, shall show such meter to have an average error of more than two percent (2%) fast or two percent (2%) slow, the following provisions for the adjustment of the electric service bill shall be observed:
 - (a) The error found shall be considered for the purpose of these rules to have existed for not more than six (6) months preceding the test or for the time the meter has been in service at the location if less than six (6) months, or from the actual time the meter became damaged if such time can be positively determined and is less than six (6) months prior to the time of the test.
 - (b) If the meter is found to be faster than allowable, the Cooperative shall refund to the Member concerned any overcharge caused thereby during the period inaccuracy of the meter as defined above. The actual error of the meter and not the difference between the allowable error and the error of the meter as found shall be used as the basis for calculating the refund.
 - (c) If the meter is found to under-register, the Cooperative may render a bill to the Member concerned for the estimated consumption not covered by bills previously rendered during the period of inaccuracy as

defined in the preceding paragraphs. Such action may be taken, however, only in cases where the bill for estimated inaccuracy amounts to one dollar (\$1.00) or more, and all such bills shall be conditional upon the Cooperative's not being at fault for allowing the inaccurate meter to remain in service. The Cooperative shall in no case render a bill for under-registration where a meter has been found to be slow, unless the particular meter has been tested in conformity with this Section.

- (d) In the case of a non-registering meter which has been read by the Cooperative during the period of non-registration, the Cooperative shall not render a bill for estimated consumption extending over more than twice the regular interval between readings.
- F. DEMAND METERS: Whenever any tests by the Cooperative of a demand meter while in service or on its removal from service, shows such meter to be more than two percent (2%) in error, the provisions covering the adjustment of charges in the case of service watt-hour meters shall be observed insofar as they are applicable. If the demand meter depends upon actuations from the watt-hour meter or its readings, the average error of the demand meter shall be determined from the heavy load accuracy of the watt-hour meter in conjunction with the accuracy of the demand meter itself.
- G. SPECIAL METER TESTS: In the event a Member requests the Cooperative to test a meter, meter test will be charged based on actual costs of testing the meter. If the meter is found to be within the accuracy limits established, as referred to in paragraph F. of this Section, the actual cost will be charged in order to help defray the Cooperative's expense in testing the meter.

Section 10: GENERAL CLAUSES

- A. WAIVER: Waiver by the Cooperative with respect to any default by a Member in complying with the provisions of the Electric Service Agreement and these Rules and Regulations shall not be deemed to be a waiver with respect to any other or subsequent default by such Member.
- B. LEGAL NOTICES BETWEEN MEMBER AND COOPERATIVE: All notices addressed to the Cooperative shall be in writing and no telephone communication shall be considered as proper notice unless otherwise specifically provided for in these Rules and Regulations. If oral orders are taken in person or over a telephone by an agent of the Cooperative, it is done for the convenience of the Member and at his risk. The Cooperative is not responsible for error, delay, or expense resulting from such procedure, but the Cooperative shall exercise reasonable diligence in carrying out telephone communications from the Member.
- C. AUTHORITY AND WAIVER: The requirements contained in these Rules and Regulations may be waived in individual cases by the Board of Trustees of the Cooperative upon written request by the Member and a showing that compliance with the requirement would serve the interests of neither the Cooperative nor the Member. No representative, agent, or employee of the Cooperative shall otherwise have the authority to amend, modify, alter, or waive any of Cooperative's Rules and Regulations or bind the Cooperative by promises or representations.
- D. REQUEST FOR INVESTIGATION OR COMPLAINT: If Member feels that service is not adequate and sufficient, the Cooperative should first be advised in writing, as soon as possible, of the nature of the complaint so that the proper investigation may be conducted. The complaint will be escalated as follows:
 - (1) The CEO will direct the appropriate Senior Manager(s) to investigate the complaint and respond. The Senior Manager(s) will respond to the complaint and brief the CEO on the findings of the investigation as well as the response that was provided to the Member.
 - (2) If the Member determines the response is not adequate, the Member may escalate the complaint further by requesting a meeting with the CEO to discuss the complaint in additional detail.
 - (3) After meeting with the CEO and determining that the CEO's response is not adequate, the Member may escalate the complaint to the highest level by requesting a meeting with the Board of Trustees. An investigation of the complaint will be made by the Board of Trustees or its authorized representative. The Board of Trustees will then schedule a hearing at which the Member may appear either in person or through counsel to explain the nature of the Member's complaint to the Board of Trustees. The Board of Trustees will then consider what, if any, action should be taken on the Member's complaint.

- E. VALUE-ADDED SERVICES: The Cooperative will offer Members the opportunity to purchase material of a limited range for their own personal use.
- (1) MATERIAL: Shall be used for typical Cooperative utility services. Items that promote energy efficiency. Electric water heaters shall be priced to cover the original purchase price plus an additional markup determined by the Cooperative. The benefits of load control and off peak usage shall be factors in the development of Member incentives and rebates.
 - (2) PRICING: For small single items that recover the original purchase price plus a mark-up determined by the Cooperative. Secondary wire cost plus a markup determined by the Cooperative. Other items will recover the original purchase price plus a mark-up determined by the Cooperative.

Section 11: SERVICE FEES

- A. The following fees and charges shall be collected by the Cooperative in accordance with its Rules and Regulations:

Non-Payment Fee	\$35.00
Line Retention Fee	\$21.68
Seasonal Service Disconnect/Reconnect Fee	\$300.00
Temporary Service Minimum Fee*	\$50.00
Meter Tampering Fee**	\$300.00
Surge Suppressor Rental	\$5.00/month
Service Call After Business Hours***	\$150.00
Returned Check Charge	\$30.00
Late Payment Penalty	7.00%
Meter Test Fees	Based on actual cost
Underground Locate	Third-party direct bill
New Account Deposit	Determined by applicant credit score

* Based on service installed

** Member also owes estimated lost kWh for up to one year

*** Member side of the meter

Attest:

_____/s/
FreeState President of the Board

_____/s/
FreeState Secretary of the Board