

UPSHUR-RURAL ELECTRIC COOPERATIVE CORPORATION  
MEMBER POLICIES AND SCHEDULES

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UPSHUR-RURAL ELECTRIC COOPERATIVE CORPORATION  
MEMBER POLICIES AND SCHEDULES

**SECTION I**  
**SERVICE POLICIES**

*Approved: 12/18/18*

**1.1 GENERAL INFORMATION**

**Introduction**

These “Service Policies” shall be considered part of Upshur-Rural Electric Cooperatives Corporation’s (“Cooperative”) “Member Policies”. These Service Policies together with other Member Policies, the “Rate Schedules/Riders” (“Schedules”) establish the policies, rules, and fees and charges (“Rates”) applicable to receiving “Electric Service” or “Service” (as defined in these Service Policies) from the Cooperative.

**Description of Operations**

The Cooperative is a nonprofit Texas electric Cooperative. The Cooperative purchases electricity wholesale and distributes it to Members in all or part of ten (10) East Texas counties.

**Statement of Non Discrimination**

The Cooperative shall not discriminate on the basis of race, color, nationality, religion, sex, marital status, disability, income level, or legal source of income and shall not unreasonably discriminate based on geographic location.

**1.2 DEFINITIONS**

Defined terms found throughout the Member Policies shall have the same meaning in the Schedules and throughout the Member Policies. Defined terms found throughout the Schedules shall have the same meaning in the Member Policies and throughout the Schedules.

The following defined terms shall have the following meaning in the Member Policies and Schedules:

1. **Electric Service or Service** - Shall include providing electric energy and/or related services or products.
2. **Governing Documents** - Shall include the Cooperative’s Articles of Incorporation and the Cooperative’s Bylaws and any amendments thereto and such Member Policies, Schedules, and other policies/rules as may from time to time be adopted or amended by the Cooperative’s Board.
3. **Law** - Shall include:
  - (a) Texas Electric Cooperative Corporation Act; and
  - (b) any other applicable local, state, and federal constitutions, statutes, ordinances, regulations, holdings, rulings, orders, and similar documents or actions, whether legislative, executive, or judicial.

4. **Membership** - Status as a Member of the Cooperative
5. **Member Property** - Shall Include:
  - (a) Real or personal property in which the Member holds an interest sufficient to request and utilize Electric Service;
  - (b) real or personal property of the Member that is utilizing Electric Service provided by the Cooperative; or
  - (c) real or personal property owned by the Member.
6. **Person** - An individual or entity that has the capacity to enter legally binding contracts.

### **1.3 MEMBERSHIP TERMS AND CONDITIONS**

A “Person” shall become a “Member” of the Cooperative and establish a Membership by requesting Electric Service. By requesting Electric Service a Member agrees to:

1. be a Member of the Cooperative and purchase Electric Service from the Cooperative;
2. comply with and be bound by the “Governing Documents”;
3. allow the Cooperative to access and capture images of Member Property utilizing an unmanned aircraft system (“UAS”), including UAS flights over Member Property, for the purpose of inspecting Cooperative facilities and as necessary to assist the Cooperative in delivering Electric Service;
4. provide the Cooperative access to or use of Member Property for the purpose of: (a) restoration efforts; (b) addressing an emergency situation; and (c) for any other reasonable purpose required to provide Electric Service; and
5. in partial consideration for providing Electric Service, pursuant to the Law and any terms and conditions specified by the Cooperative, grant or convey to the Cooperative a written easement, right-of-way, or license for use of Member Property as necessary and as reasonably agreed upon between the Cooperative and the Member for the purpose of providing Electric Service to the Member or one or more other Members.

A Member must also comply with the following applicable conditions to receive or continue receiving Electric Service:

1. provide any information and pay any amounts required under the Member Policies and Schedules as well as any deposits that may be required to establish an account with the Cooperative;
2. complete any additional or supplemental documents, agreements, or actions required by the Cooperative;

3. not have any past or present delinquent accounts with the Cooperative; and
4. comply with all local, state, and national codes, as well as any technical specifications, rules, policies, and regulations of the Cooperative.

The Cooperative may waive any terms or conditions of Electric Service and provide Electric Service to a Member under or by other terms and conditions that reflect sound cooperative business practice.

The Cooperative may refuse to provide Electric Service if: (1) a Member has engaged in any fraudulent scheme or act to avoid amounts due the Cooperative, including the use of another name or legal entity; or (2) a Member's installation or equipment is known to be hazardous or of such character that Electric Service cannot be provided in a safe manner as determined by the Cooperative.

## **1.4 RENTAL LOCATIONS**

### **Units Separately Metered**

Cooperative prefers that individual residential units in apartment complexes, condominiums, or mobile home units, be separately metered.

### **Landlord Membership and Maintaining Service**

Owners, operators, landlords or lessors (collectively, "Landlords") who provide lease or rented units and require continued Service during periods of vacancies shall be required to request Electric Service and shall be considered a Member of the Cooperative, subject to the terms and conditions of Cooperative Membership. After requesting Electric Service and establishing Membership a Landlord requiring continuous Service at a location may request in writing that Electric Service remain connected during vacancies ("Leave-On") at a location. Electric Service at the Leave-On location will be automatically transferred to the Landlord's account on the date Service is discontinued for the tenant. A Landlord will be obligated to pay the applicable charges per the applicable Schedules for the Service at the Leave-On location during all vacancies (i.e. from the time a tenant discontinues Service at a location until a new tenant connects Service at a location).

### **Service During Vacancy**

A tenant, as a Member may request that Electric Service be discontinued at a Service location consistent with the Member Policies. If an account is established as provided in this provision by a Landlord for the location, the Landlord shall be obligated to pay for Service at the Location during any periods of vacancy.

### **Landlord Continuing Responsibility**

A Landlord may terminate a Leave-On request at any time by submitting a writing to the Cooperative. Upon the sale of a property, Landlord is responsible for terminating a Leave-On request in writing for the location. Until a Landlord terminates a Leave-On request for a location in writing the Landlord shall remain responsible for all charges for Electric Service provided to the location or property.

## **1.5 ACCOUNTS - CREDIT/DEPOSIT**

## **Accounts**

Except as otherwise provided in this provision a Member desiring to establish a “Credit Account” with the Cooperative will be required to demonstrate a satisfactory credit history or submit a deposit.

As an alternative to demonstrating satisfactory credit history or providing a deposit a Member may establish a “Prepaid Account” with the Cooperative for receiving Electric Service. A Prepaid Account is available for Electric Service that is eligible to be classified under one of the Cooperative’s prepaid Schedules.

The term “account” shall apply to both a Credit Account and a Prepaid Account in the Member Policies and Schedules.

## **Satisfactory Credit History**

The Cooperative may choose to establish a Credit Account for a Member that can demonstrate a satisfactory credit history. Certain business entity Members may not be allowed to establish a Credit Account based on a satisfactory credit history. In determining if a Member has demonstrated a satisfactory credit history the Cooperative will consider the type of Electric Service requested and the estimated annual charges for the Electric Service requested. Factors the Cooperative shall consider in determining if a Member has a satisfactory credit history shall include but may not be limited to the following:

1. credit rating;
2. payment history to past utilities;
3. having a Credit Account with the Cooperative that has not been delinquent more than two (2) times in the previous twelve (12) months and not had Electric Service discontinued for a delinquent account; or
4. other evidence acceptable to the Cooperative.

The Cooperative may conduct a credit check to determine if the Member has a satisfactory credit history. A Member may opt out of a credit check by submitting a deposit as determined by the Cooperative.

## **Deposits**

To secure payment for Electric Service and to establish a Credit Account with the Cooperative, or in order to continue receiving Electric Service, the Cooperative may require a Member to provide a deposit.

## **Deposit Amount**

Except as provided herein, a deposit for Electric Service in general shall be based on the historical usage at the location where Electric Service is to be provided. The initial Deposit amount required by the Cooperative shall be two times the average annual bill for Electric Service based on the historical usage at the location or a minimum deposit established in the Schedules, whichever is greater. However, deposits collected for Electric Service provided to weekend residences and for temporary or seasonal Service may be sufficient to reasonably protect Cooperative from the assumed



risk for providing such type of Electric Service. The Cooperative, at its sole discretion, may offer a payment plan to collect a deposit.

### **Deposit and Additional Deposit by Existing Members**

As applicable a deposit or an additional deposit may be required under the following conditions:

1. if after review of a Member's Credit Account, the Cooperative has determined that a Member's actual use of Electric Service is at least twice the amount the Cooperative originally collected as a deposit;
2. if the Cooperative determines that a Member no longer has an acceptable credit rating or the Member's financial condition exposes the Cooperative to a risk of default on amounts due;
3. a Member's Credit Account has been delinquent two or more times within the previous twelve (12) months;
4. Electric Service has been discontinued for non-payment within the previous twelve (12) months; or
5. a Member commits fraud against the Cooperative to avoid payment of any amounts due the Cooperative.

If an additional deposit is required a Member will be required to submit an amount that will result in a total deposit balance for the location in an amount that shall equal two times the highest bill for Electric Service at that location within the past twelve (12) months. If an additional deposit amount is not paid within fifteen (15) days from the date requested, then a Credit Account shall be considered delinquent and Service may be discontinued. The Cooperative, at its option may offer a payment plan to collect an additional deposit.

### **Adjustments to Credit History and Deposit Requirements**

After evaluating the specific facts regarding the Electric Service the Cooperative may choose to adjust or waive the requirements for establishing a Credit Account for Members:

1. Over 65 years of age that can demonstrate that they have not had a delinquent account with the Cooperative or any other electric utility within the previous two (2) years. If a waiver is allowed any reconnection after nonpayment will be subject to the payment of past due balances, deposits and any other fees required.
2. That provide proof of being a victim of family violence as defined in the Texas Family Code. Such proof shall be satisfied by submission of a certification letter from the Texas Council on Family Violence or other similar governmental entity and will only apply to a single location. If a waiver is allowed any reconnection after nonpayment will be subject to the payment of past due balances, deposits and any other fees required.
3. That provide financial assurance or proof of responsibility in another way, if approved by and acceptable to the Cooperative.

The Cooperative, at its sole discretion may only choose to adjust or waive the requirements for establishing a Credit Account at a single location.

### **Information Concerning Deposits**

At the time a deposit is required, the Cooperative shall provide Members with the following information about deposits:

1. the circumstances under which the Cooperative may require a deposit;
2. how a deposit is calculated; and
3. the time frame and requirement for returning the deposit to the Member.

### **Records on Deposits**

The Cooperative shall maintain deposit records containing the following information:

1. the name and address of each depositor;
2. the Member Credit Account to which the deposit applies;
3. the amount and date of the deposit; and
4. each transaction concerning the deposit.

### **Interest on Deposits**

Deposit shall accrue interest at an annual rate determined by the Public Utility Commission of Texas (“Commission”). If a deposit is refunded within thirty (30) days of the date of deposit, then no interest payment is required. If the Cooperative keeps the deposit more than thirty (30) days, payment of the interest shall be calculated from the date of deposit. Payment of interest to a Member shall be made at the time the deposit is returned or credited to a Member’s Credit Account. The deposit shall no longer accrue interest on the date it is returned or credited to a Member’s Credit Account.

### **Refund and Use of Deposits**

Deposits may be refunded as a credit to a Member’s Credit Account or by any other method determined by the Cooperative under the following conditions:

1. the Member’s Credit Account is no longer receiving charges from the Cooperative and the Credit Account is paid in full; or
2. the Member’s Credit Account: (a) has not been delinquent more than two (2) times in the previous twenty-four (24) months; (b) has not been discontinued for non-payment in the previous twenty-four (24) months; and (c) is not currently delinquent.

The Cooperative may allow a Member that transfers Electric Service from one location to another within the Cooperative’s service area to apply any excess deposit towards any deposit required for the location to which Electric Service is being transferred. The Cooperative will not allow a deposit

balance to be utilized towards a deposit required for a new location until all financial obligations for the prior location are satisfied.

The Cooperative may transfer deposit amounts between the accounts of a Member and may utilize any deposit amounts submitted by Member to satisfy any amounts due the Cooperative for any account in the name of a Member.

## **1.6 CRITICAL SERVICE**

### **Critical Care Designation**

If a Member or someone at a Member's location will become seriously ill if Electric Service is discontinued or requires electric-powered life-sustaining equipment ("Medical Need") the Member's location may qualify for a critical care designation and inclusion on the Cooperative's "Critical Service Registry". In order for a location to qualify for a "Critical Care" designation a Member shall provide documentation acceptable to the Cooperative supporting the Medical Need at the location. The Cooperative will consider a letter from a physician supporting the Medical Need as acceptable documentation for a Critical Care designation if the letter: (1) is submitted on the physician's letterhead; (2) identifies the patient; (3) identifies the Member; (4) identifies the patient's address as the Member's location; and (5) confirms the Medical Need.

### **Expiration of Critical Care Designation**

A Member's Critical Care designation for a location will expire one year after being added to the Critical Care registry. One year after a Member's location has been added to the Cooperative's Critical Care Registry the Cooperative may remove the location from the Critical Care Registry at a time the Cooperatives determines to be administratively convenient. Maintaining a location's Critical Care designation shall be the sole responsibility of the Member. A Member requiring a Critical Care designation at a location shall be responsible for providing documentation acceptable to the Cooperative supporting the Medical Need annually for the location to remain on the Critical Care Registry.

### **Critical Load Designation**

As may be required or necessary under the Cooperative's emergency restoration plan the Cooperative will designate certain government, public safety and industrial locations as "Critical Load" and include the locations on the Critical Service Registry. A Member desiring a location under their control to be designated as Critical Load may contact and work with the Cooperative in assessing whether their location qualifies for a Critical Load designation under the Cooperative's emergency restoration plan and the Law.

### **Member Policies Still Apply**

A Critical Care or Critical Load designation does not limit the applicability of any Member Policies or Schedules to a Member or a Member's responsibilities under the Member Policies or Schedules. Specifically, but not limited by the following, a Critical Care or Critical Load designation:

1. Does not relieve a Member of the obligation to pay for Electric Service, and Service may be discontinued if a Member's Credit Account is delinquent or a Member's Prepaid Account reaches a zero balance.
2. Does not guarantee against Service interruptions.

3. Does not guarantee that Electric Service will be restored at a Member's location prior to other Members.

### **Member Responsible for Continuous Electric Energy**

Members with a Critical Care or Critical Load designation at a location are responsible for having an alternate plan to ensure the continuous supply of electric energy at the location. If continuous electric energy is required for a Medical Need or for any life support system, it shall be the responsibility of the Member to install back-up power or other equipment to ensure the continuous supply of electric energy at the location.

### **Purpose of Critical Care and Critical Load Designations**

The Critical Care and Critical Load designations allow the Cooperative to easily identify Members that may need additional assistance or attention when Service interruptions occur. The Cooperative will attempt to notify Members with a Critical Care or Critical Load designation when planning for scheduled outages (maintenance or repairs) and will consider Member locations with a Critical Care or Critical Load designation will be restored according to the Cooperative's emergency restoration plan.

## **1.7 BILLING**

### **Monthly Billing**

Every month, the Cooperative shall render a bill for each Credit Account held by a Member. The bill shall reflect the total amount due on a Credit account, including charges for Electric Service used and any other fees or amounts that may be due the Cooperative.

A bill for Electric Service used and any other amounts that may be due the Cooperative for a Member with a Prepaid Account will not be issued by the Cooperative. A Member with a Prepaid Account may obtain billing information, including charges for Electric Service, other amounts that may be due the Cooperative, and Prepaid Account balances as instructed by the Cooperative.

### **Fees**

A bill may contain charges for certain fees in addition to charges for Electric Service under the applicable Schedules. Fees shall be billed as necessary in accordance with the applicable Schedule for Cooperative fees or any other Schedule applicable to the Electric Service. Any applicable fee, in accordance with the Schedules, may be assessed for any action taken by the Cooperative resulting from a Member's actions, including any trips resulting from an erroneously reported outage where the Cooperative was not at fault.

### **Estimated Billing**

When there is good reason for doing so, the Cooperative may estimate the amount of Electric Service used in order to calculate the amount due on an account.

### **Failure to Receive Bill**

Upon request, the Cooperative shall advise a Member of the Due Date and amount due on a Credit Account and shall issue a duplicate bill. However, failure to receive a bill shall not be considered sufficient reason for not paying an amount due by the Due Date or a waiver of an amount due.

### **Disputed Bills**

If there is a dispute between a Member and the Cooperative regarding the amount due on a Credit Account for Electric Service, the Cooperative shall investigate the disputed amount and report the results to the Member. A Member's Electric Service shall not be discontinued for failure to pay a legitimate disputed amount, as determined by the Cooperative, until the Cooperative resolves the dispute; however, the Member is still required to pay any amount due on a Credit Account that is not in dispute.

### **1.8 ACCOUNT ADJUSTMENTS**

If the Cooperative finds that the amount due on a Member's account has been calculated incorrectly, the account shall be adjusted as follows:

1. If a Member's account is entitled to a refund, an adjustment shall be made for the entire period of the overcharges.
2. If a Member's account is under-billed because of a failure to receive meter readings, faulty metering equipment, or other circumstances resulting in unreported use, the Cooperative shall estimate the under-billed amount and adjust the Member's account accordingly for up to six (6) months of under-billing. The Cooperative may, however, bill for more than six (6) months of under-billing if it can produce records to identify and justify the additional amount. The Cooperative, at its sole discretion, may offer a payment plan to collect the under-billed amount.
3. If a Member's account is under-billed due to theft by the Member then the Cooperative may bill the Member for the entire duration of the theft and the Cooperative may charge interest on the entire under-billed amount.

The Cooperative shall not be obligated to make account adjustments to accounts in subsequent months which were due to variations in meter reading dates, estimated meter readings which were beyond the control of the Cooperative, or for Members under the Budget Billing Plan.

### **1.9 PAYMENT AND COLLECTION**

Payment is due and a Member's Credit Account shall be considered delinquent if the Cooperative does not receive payment on the date required by the bill ("Due Date"). If the Due Date falls on a holiday or weekend, then the Due Date for payment purposes shall be the next business day. The Cooperative at its sole discretion may choose to extend the Due Date of a payment to the Member's next Due Date. If allowed by the Cooperative a Member will not be allowed more than two extensions during a twelve (12) month period.

Delinquent Credit Accounts may incur a late payment fee, interest charges, or other applicable fees (i.e. fee for payments returned by a bank). A Member shall incur a fee for any amounts referred to a third party collection agency and shall be responsible for any collection costs, associated with a delinquent account incurred by the Cooperative in addition to the Cooperative's routine collection efforts.

The Cooperative shall subtract from a Member's Prepaid Account balance the amounts for Electric Service used and any other amounts that may be due the Cooperative. Balance requirements and other conditions of Electric Service for a Member with a Prepaid Account are addressed in the applicable Schedules.

## **1.10 PAYMENT OPTIONS FOR CREDIT ACCOUNTS**

### **Payment Plan**

The Cooperative at its sole discretion may choose to offer a "Payment Plan" for any amounts a Member or other party may owe the Cooperative. A Member or other party that is offered a Payment Plan will be required to enter into a "Payment Agreement" with the Cooperative containing the terms and conditions of the Payment Plan, including the specific details of the Payment Plan. Failure to fulfill the terms and conditions of a Payment Agreement with the Cooperative will render a Member's Credit Account delinquent and Service may be discontinued.

### **Budget Billing Plan**

The Cooperative at its sole discretion may offer Members with Electric Service classified under the Schedules for "Residential Service" or "Small Commercial and General Service" a Budget Billing Plan. Only Members that have demonstrated a satisfactory credit history or who the Cooperative has adjusted or waived the requirements to establish a Credit Account may be offered a Budget Billing Plan. Under a "Budget Billing Plan" the Member will be billed monthly based on the average of the current bill, plus the Member's bills for the previous eleven (11) months. Accordingly, the amount due will fluctuate slightly from month to month. A Member's participation in a Budget Billing Plan will not relieve the Member's obligation to pay for all amounts due for Electric Service and the Member will be responsible for any accumulated balance in the Member's Credit Account upon the discontinuance of Electric Service or as otherwise provided in this Budget Billing Plan provision.

A Member desiring to be offered a Budget Billing Plan shall submit a signed "Budget Billing Application and Agreement" ("Budget Billing Agreement") containing the terms and conditions of the Budget Billing Plan. The Budget Billing Agreement may be terminated by either the Member or the Cooperative upon notification to the other party. Upon termination of the Budget Billing Agreement, any accumulated balance in the Member's Credit Account shall become due and payable. Failure to fulfill the terms and conditions of a Budget Billing Agreement shall render a Member's Credit Account delinquent and Service may be discontinued.

## **1.11 DISCONTINUANCE OF ELECTRIC SERVICE**

### **Disconnection Requested by Member**

Discontinuance of Electric Service or "Disconnection" may be requested by a Member at any time. A Member shall notify the Cooperative a minimum of three (3) business days prior to the Disconnection date or the date Electric Service shall be discontinued. A Member shall be responsible for any amounts resulting from the use of Electric Service at the location within three (3) days of the Disconnection date.

### **Disconnection with Notice**

A "Disconnection Notice" shall be mailed, as a separate mailing, at least ten (10) days prior to the stated Disconnection date and notify a Member of all amounts due the Cooperative to avoid

Disconnection. The stated Disconnection date shall only fall on a business day and the Cooperative may discontinue Electric Service on any business day after the stated Disconnection date. Electric Service may be discontinued after a Disconnection Notice has been provided for any of the following reasons:

1. a Member's Credit Account is delinquent;
2. a Member fails to comply with the terms and conditions of any agreement with the Cooperative regarding payment of charges for Electric Service;
3. a Member fails to adhere to or violates any of the terms and conditions of the Member Policies and Schedules; or
4. Any other lawful reason.

#### **Disconnection without Notice**

The Cooperative may discontinue Electric Service without a Disconnection Notice for any of the following reasons:

1. when the Cooperative discovers that Electric Service is being obtained in any unlawful manner;
2. if the Cooperative determines that an unsafe or potentially dangerous condition exists for as long as the condition exists;
3. any other lawful reason; or
4. a Member's Prepaid Account balance reaches \$0.

#### **Disconnection for Members with Critical Care Designation**

A Member with a Critical Care designation at a location will be contacted prior to a Disconnection date and will be granted an extension to the Member's next Due Date to submit payment for past due amounts. Failure to pay the past due amount in full by the extended Due Date will render a Member's Credit Account delinquent and Service may be discontinued after notice. A Member with a Critical Care designation at a location will not be allowed more than two extensions during a twelve (12) month period.

#### **Disconnection on Holidays or Weekends**

Unless a dangerous condition is discovered by the Cooperative, Disconnection shall only occur on a business day when sufficient and appropriate Cooperative personnel are available for making collections and to restore or reconnect Service.

#### **Disconnection during Extreme Weather**

Disconnection for nonpayment shall not occur during extreme weather events. An "Extreme Weather Event" is when:

1. the previous day's temperature did not exceed 32 degrees Fahrenheit and the National Weather Service ("NWS") reports that it shall not do so for the next twenty-four (24) hours;
2. there is currently a heat advisory issued by the NWS; or
3. a heat advisory has been issued by the NWS on one of the previous two (2) days.

### **Liability for Discontinuing Service**

If a Member's Electric Service is discontinued for any reason under no circumstance shall the Cooperative be liable for losses incurred by a Member resulting from the Disconnection.

## **1.12 RECONNECTION OF ELECTRIC SERVICE**

The Cooperative shall restore or reconnect Electric Service after a Member has: (1) paid in full any past due amounts; (2) paid any other fees or charges due or required by the Cooperative; and/or (3) remedied any conditions meriting Disconnection. A Member's Credit Account shall incur applicable fees for Electric Service that has been discontinued because of a delinquent account prior to the restoration and reconnection of Electric Service. If a Member remedies the reason for Disconnection, to the Cooperative's satisfaction, and pays any amounts due the Cooperative in full then Electric Service shall be reconnected or restored.

## **1.13 MEMBER FACILITIES/EQUIPMENT**

### **Point of Delivery**

The "Point of Delivery" shall be that point, as determined by the Cooperative, where electric energy leaves the Cooperative's system and is delivered to a Member. The Point of Delivery shall be accessible to Cooperative personnel at all times.

### **Member's Facilities**

Except as otherwise provided in the Member Policies and Schedules, a Member shall install, provide, and maintain all devices and equipment, including breaker boxes and wiring beyond the Point of Delivery that are necessary for the Cooperative to provide Electric Service ("Member Facilities"). Member Facilities shall meet all applicable local, state and national codes and regulations. A Member shall not install wiring or attachments to any part of the Cooperative's system.

The Cooperative shall not be responsible for maintaining Member Facilities but the Cooperative reserves the right to inspect Member Facilities at any time if there is concern that an unsafe or dangerous condition exists. Except in special situations where the Cooperative may own, maintain and operate electric facilities and equipment beyond the Point of Delivery, the Cooperative shall not be responsible for any other electric facilities and equipment beyond the Point of Delivery.

### **Motor Horsepower Limitations**

Unless another limitation is specified in the applicable Schedule, a Member shall not place single-phase motors in excess of 10-horsepower on the Cooperative's system without written approval from the Cooperative. The Cooperative may require a Member to provide reduced voltage starting equipment for said motors. The specifications and operating characteristics of motors shall be submitted to the Cooperative for approval prior to utilizing the motor on the Cooperative's system.



### **Notice of Equipment Change**

A Member shall notify the Cooperative of additional equipment that may change the load characteristics of the Member's Electric Service. Said notice shall be in writing and shall allow enough time for the modification of the Cooperative's system and equipment to accommodate the increased load. Any modifications to Member Facilities must be made in accordance with Cooperative policy. A Member shall be responsible for any damage to the Cooperative system and equipment as a result of any increased load.

## **1.14 METERING AND COOPERATIVE EQUIPMENT**

### **Metering**

Except as otherwise provided by the applicable Schedules, a Member's charges for Electric Service shall be determined based on meter measurements. In general, each meter shall indicate clearly the kilowatt-hours or other units of electric energy for which charges are assessed.

### **Metering Equipment and Other Equipment**

The Cooperative shall install, own, maintain and operate all metering equipment and devices used to measure electric energy sold to a Member. The Cooperative's metering device may be beyond the Point of Delivery and shall be accessible to Cooperative personnel at all times.

The Cooperative utilizes an Advance Metering Infrastructure ("AMI") for providing Electric Service and will determine the type of meter that will be installed at the Point of Delivery. Member understands that AMI allows the Cooperative to monitor and obtain information about Member's energy consumption. Member consents to the Cooperative's use of AMI and understands that opting out of the use of AMI may be an option available to Member. If permitted by the applicable Schedules a Member may request a non-standard meter not utilized by the Cooperative's AMI (each, herein a "Non-Standard Meter") that will require Cooperative personnel to manually read the meter. A Member requesting and utilizing a Non-Standard Meter shall incur a Trip Fee to set-up the Non-Standard Meter and a Trip Fee monthly for manually reading the Non-Standard Meter.

The Cooperative may also install, own, maintain and operate electric facilities and equipment beyond the Point of Delivery, such as outdoor lights and demand response devices.

### **Meter Testing**

The Cooperative may test a meter, at its discretion, at any time during normal business hours at no cost to the Member.

A Member may request a meter test at any time. The Member, or an authorized representative, has the right to be present during the meter test. The Cooperative shall give the Member reasonable notice of the date and time that the meter is to be tested. If a meter test is requested within four (4) years of a test previously requested and the meter is found to be within the accuracy standards established by the American National Standards Institute, Inc., then the Member's account shall incur charges for the cost of and/or fees for the requested meter test. If a meter is deemed to be inaccurate it shall be replaced and the Member's account shall be adjusted based on estimated usage.

In the event a Member requests a test that is not normally provided by the Cooperative, such test shall be performed upon the Member's agreement to pay for all costs associated with such test.

### **Meter Tampering**

No person, except for Cooperative personnel, shall alter, remove, or make any connections to the Cooperative's meter or Electric Service facilities/equipment. A Member's account shall incur a fee plus estimated charges for energy consumed where the Cooperative determines that meter tampering has occurred. The Cooperative may also charge a Member for any other costs resulting from the meter tampering. The Cooperative shall charge a fee to reset the meter when the Cooperative satisfactorily determines that Electric Service can be restored to a Member.

### **Tampering or Alteration of Cooperative's System and Equipment**

The Member shall not alter or tamper with the Cooperative's system and equipment or cause such to be altered or tampered with. The Cooperative shall presume that a Member has tampered with the Cooperative's system and equipment if:

1. electric energy has been diverted from passing through a meter;
2. electric energy has been prevented from being correctly recorded by a metering device;  
or
3. electric energy has been activated by a device installed to obtain electric energy without a metering device.

### **Member's Responsibility for Cooperative's Electric Facilities and Equipment**

A Member shall be responsible for any damage to, or loss of, Cooperative electric facilities and equipment, located on the Member Property, unless such damage or loss is beyond the control of the Member. A Member shall be responsible for all costs associated with repairing the Cooperative's electric facilities and equipment, including outdoor lights and any demand response devices damaged as a result of the Member's actions.

## **1.15 CLASSIFICATION OF ELECTRIC SERVICE AND SPECIAL CIRCUMSTANCES**

### **Electric Service Classification**

Electric Service shall be classified according to the Schedules established by the Cooperative's Board of Directors. The Cooperative shall determine and select the proper classification and Schedule(s) for a Member based on the information and electrical requirements/load characteristics provided by the Member. The Cooperative shall not be responsible for making sure a Member's Electric Service is classified under the most favorable Schedule(s) and a Member shall be responsible for notifying the Cooperative of any change to the Member's electrical requirements/load characteristics that would merit Electric Service being re-classified under a different Schedule(s). However, the Cooperative may re-classify a Member's Electric Service under a different Schedule(s) at any time if the Cooperative discovers the Member's actual electrical requirements/load characteristics merit Electric Service being re-classified.

### **Idle Service**

Where Electric Service has not been connected or has been discontinued but where electric facilities and equipment remain in place the Service shall be considered “Idle Service”. The applicable Schedule(s), as determined by the Cooperative, shall still apply to Idle Service.

The Cooperative retains the right to remove, at its convenience, any idle electric facilities and equipment. If a Member requires idle electric facilities and equipment to remain in place, then the Cooperative may leave the electric facilities and equipment in place, provided that the Member shall be responsible for any amounts due under the applicable Schedules or any monthly minimum charge, as determined by the Cooperative.

### **Special Contracts for Electric Service**

The Cooperative may negotiate and execute an Electric Service contract with a Member who has unusual or unique power requirements or that has a legal and economically viable alternative source of power to serve all or a portion of their power requirements. An Electric Service contract with a Member may include Rates and a rate schedule developed specifically to meet the energy/power requirements of the Member and may contain terms and conditions that differ from the Member Policies and Schedules.

### **1.16 DELIVERY OF ELECTRIC SERVICE**

Electric Service shall be supplied by the Cooperative as alternating current, 60 Hertz, at available secondary voltages. The Cooperative shall furnish single- or three-phase Electric Service at standard secondary voltages, as follows:

1. Single-Phase: 120/240 Volt
2. Three-Phase: 120/208 GNDY or 277/480 GNDY

The Cooperative reserves the rights to determine whether or not alternate voltage configurations, different from those stated above, are acceptable. A Member shall be responsible for any amounts required to provide alternate voltage configurations if determined acceptable by the Cooperative. Transmission or distribution voltages used to transmit electric energy shall not be available to Members except under special contract.

### **1.17 CONTINUITY OF ELECTRIC SERVICE**

#### **Service Interruptions**

The Cooperative strives to provide continuous Electric Service but makes no guarantees against interruptions. Members shall be responsible for reporting Service interruptions that are not attributable to Member Facilities.

#### **Continuous Service, Member’s Responsibility**

If continuous Electric Service at a constant voltage is required, a Member must install the necessary equipment. Should a Member require three-phase Service, the Member shall be responsible for providing and operating such protective equipment as is necessary to protect equipment from damage resulting from the loss of power to one or more phases.

#### **Emergency Interruptions**

In the event of a national emergency or local disaster resulting in disruption of normal Electric Service, the Cooperative may, in the public interest, interrupt Electric Service to other Members in order to provide necessary Electric Service to civil defense or other emergency service agencies on a temporary basis until normal Electric Service to these agencies can be restored.

### **Maintenance Interruptions**

The Cooperative reserves the right to interrupt Electric Service for the purpose of making changes, improvements, repairs, or extensions on any part of its lines, machinery, plant, or system, without notifying Members first.

### **No Liability for Continuity of Electric Service**

The Cooperative does not insure, guarantee, or warrant that it shall provide adequate, continuous, or non-fluctuating electric energy or other Electric Service. The Cooperative is not liable for damages, costs, or expenses, including attorney fees or legal expenses, caused by inadequate, non-continuous, or fluctuating electric energy, including Service interruptions.

## **1.18 MEMBER'S USE OF ELECTRIC SERVICE**

### **Resale of Electric Service**

Members shall not resell Electric Service to any other Member, person, or entity without approval from the Cooperative. Members shall not extend electric facilities to an adjacent property without written approval from the Cooperative.

### **Intermittent Electric Service**

If a Member's use of Electric Service creates intermittent or major power fluctuations on the Cooperative's system or otherwise adversely impacts the the operation of the Cooperative System, the Cooperative may require the Member to correct such a condition at the Member's expense or may discontinue Electric Service without notice.

### **Power Factor**

The Cooperative may require a Member to maintain a certain power factor.

## **1.19 INTERCONNECTION OF DISTRIBUTED RESOURCES**

A Member shall not use other sources of electric energy in conjunction with the Cooperative's Electric Service without Cooperative approval.

The Cooperative will, in conformity with the requirements of law, interconnect with generators and energy storage devices owned or leased by Members of the Cooperative ("Distributed Generation" or "DG") subject to the terms and conditions set forth in the Cooperative's "Distributed Generation Procedures and Guidelines Manual for Members" ("DG Manual"), including all rules and regulations therein.

*NOTE: Anything over 10Mva or not covered by the DGI Manual shall be considered by the Cooperative and its power suppliers on a case by case basis.*

## **1.20 ELECTRONIC TRANSACTIONS WITH MEMBERS**

If a Member owns, controls, or has reasonable access to the hardware, software, and service required to use, accept, access, and retain electronic records and signatures, and to conduct transactions electronically, then, as requested by the Cooperative, Member consents to using or accepting electronic records or signatures relating to any transaction with Cooperative, and conducting transactions with the Cooperative electronically.

## **1.21 MEMBER INFORMATION AND PRIVACY**

### **Purpose for Collecting and Maintaining Information**

The Cooperative respects the privacy and confidentiality of Member information. The Cooperative collects and maintains information about Members that is suitable for the purposes of providing Electric Service and conducting the business of the Cooperative consistent with electric cooperative industry principles and practices.

### **Information Collected**

Member information is collected only through lawful and fair means. Appropriate Member information that is collected and maintained as part of the Cooperative's records includes, but is not specifically limited by the following:

1. Information for communicating with a Member, including a Member's name, address, telephone number, e-mail address, etc.
2. Information for establishing an account with the Cooperative, including a Member's Social Security number, driver's license number, date of birth, credit information, financial account information, payment history, etc.
3. Information about the consumption of energy and use of Electric Service at a location collected by the Cooperative's Advance Metering Infrastructure, other metering devices not included as part of AMI, or other means (e.g. account notes, construction reports, staking sheets, etc.). Information collected may include information about Member Property (e.g., appliance types, appliance consumption, load data, Member Property hazards or other information helpful to the Cooperative when accessing Member Property).
4. Information about the capital and patronage account of Members and former Members, including contact information for former Members, collected over time as a result of Cooperative Membership requirements.
5. Information obtained from Member surveys conducted by the Cooperative to identify needs or improve Cooperative operations and Electric Service.
6. Information about computing hardware and software/applications that is automatically collected when a Member utilizes the Cooperative's website or other platforms for interacting with and obtaining information from the Cooperative (e.g. tablet and phone applications). This information can include: Member's Internet Protocol ("IP") addresses, Media Access Control ("MAC") addresses, browser type, domain names, access times, and referring website addresses. The Cooperative may also collect user names and passwords utilized on the Cooperative's website or other platforms for

interacting with and obtaining information from the Cooperative.

7. Information collected from third parties that provides services to the Cooperative or that the Cooperative interacts with such as credit agencies and financial institutions.
8. Additional information about a Member or Member Property provided to the Cooperative by a Member or obtained by the Cooperative through other services, plans, or programs offered by the Cooperative or its affiliates (e.g. photos, medical conditions, biometric data, etc.).

### **Personal Information**

Member information maintained by the Cooperative includes “Personally Identifiable Information” or information that can be used to distinguish or trace a Member’s identity, including information that is linked or linkable to a Member (e.g. name, social security number, date of birth, mother’s maiden name, medical condition, employment information, etc.). (“Personal Information”).

### **Use and Retention of Information**

The Cooperative utilizes Member information in responsible ways in order to provide Electric Service and conduct the business of the Cooperative consistent with electric cooperative industry principles and practices. Member information may be utilized, but is not specifically limited by the following uses: (1) administering Member accounts; (2) informing Members about their energy consumption and use of Electric Service; (3) providing Members with outage information, peak alerts, and warning messages; (4) communicating with Members about programs, plans or opportunities that may be of interest to them; (5) providing Cooperative publications; (6) improving Cooperative operations and the provision of Electric Service; and (7) operating the Cooperative on a cooperative basis.

Information about a Member’s consumption of energy and use of Electric Service at a location may be compiled in aggregate form so that a Member’s daily energy consumption habits are not revealed, and such data may be used by the Cooperative to improve the Cooperative’s operations and provision of Electric Service.

The Cooperative retains Member information, including energy consumption data, in such amounts and for such periods of time as required by Law or necessary to provide Electric Service and conduct the business of the Cooperative.

### **Security**

The Cooperative maintains Member information with reasonable and appropriate technical, administrative, physical and cyber safeguards to protect against loss, unauthorized access, destruction, misuse, modification, and improper disclosure of the information. Members are warned, however, that no system can ever be fully protected against every possible scenario that could result in a breach of Member information.

### **Disclosures to Third Parties**

Except as otherwise provided in this provision the Cooperative does not share Personal Information with a party that does not assist the Cooperative in providing Electric Service or in conducting the business of the Cooperative without the prior written consent of the Member.

Member information may be disclosed to affiliates or contractors for services that support the Cooperative in providing Electric Service and conducting the business of the Cooperative (e.g. electric cooperative educational initiatives, electric cooperative publications, construction and maintenance contractors, billing services, collection services, legal services, accounting/auditing services, etc.). Member information, may also be shared with other utilities under shared service agreements or to meet operational requirements. Information will only be disclosed to such Persons to the extent necessary to render the services provided to the Cooperative.

The Cooperative may disclose to and share Member information with commercial and consumer credit reporting agencies for credit-related activities (e.g., the reporting of bad debts).

Sufficiently aggregated Member information may be disclosed to third parties where necessary or beneficial for the Cooperative's operations.

Member information may be disclosed when authorized or required by Law, including in response to a search warrant, subpoena, or court or law enforcement order. Disclosure of Member information may also be made when appropriate to protect the Cooperative's legal rights or in situations involving an imminent threat to life or property. The Cooperative will take reasonable steps to limit the scope and consequences of any disclosure of Member information.

Member information may be shared with affiliates and partners of the Cooperative that offer products and services of interest to Members. A Member may request that their Personal Information not be shared with affiliates or partners offering products and services. Nevertheless, the Cooperative does not sell, rent, loan, exchange, or otherwise release Personal Information to non-affiliated third parties or partners for their marketing purposes, without a Member's prior written consent.

### **Disclosures to Other Cooperative Members**

Member information may be disclosed to a Member of the Cooperative when a Member gains access to Cooperative records as provided in the Member Policies. The Cooperative will take reasonable steps to limit the scope and consequences of any disclosures to other Cooperative Members. Personal Information disclosed to another Member will be limited to information that may be included on a Cooperative Membership list as provided in the Member Policies.

### **Accessing Your Member Information**

The Cooperative is committed to maintaining accurate, complete, timely, relevant, and appropriate information about Members for the purpose for which the Member information is used. The Cooperative generally permits Members to access and seek correction of their Personal Information that is maintained and used by the Cooperative to provide Electric Service and conduct the business of the Cooperative.

A Member with questions about accessing, correcting or other matters related to their Member information should contact the Cooperative with their specific questions for further instructions.

### **Member Instructions and Cooperative Contact Information**

A Member providing the Cooperative with written consent to share their Personal Information or requesting that their Personal Information not be shared should utilize the Cooperative's contact information provided below.

A Member with any questions regarding Member information and privacy is encouraged to contact the Cooperative utilizing the following contact information:

**Member Service Numbers**

903.843.2536

800.259.2536

**Address**

Upshur Rural Electric Cooperative Corporation

PO Box 70

1200 W. Tyler Street

Gilmer, TX 75644

**1.22 MEMBER COMPLAINTS**

**Submitting Complaints to Cooperative**

Member complaints must first be submitted to Cooperative personnel. A Member complaint may be made in person at any of the Cooperative's offices, by telephone, or in writing. However, if a Member desires a written response to a complaint, then the complaint must be submitted in writing. Any official and authoritative Cooperative response to a complaint submitted in writing shall be approved by Cooperative management and shall be in letter form on Cooperative letterhead that will be mailed, faxed, or provided as a secure document via electronic means.

**Board Consideration of Complaints**

If a Member is not satisfied by the Cooperative's resolution or response to a complaint, then the Member may submit the complaint in writing to the Board for consideration. The Board will only consider complaints that are submitted to the Board in writing.

If a Member is not satisfied by the Cooperative's resolution or response to a complaint, then the Member may also present the complaint to the Board in person for consideration. In order to meet with the Board regarding a complaint, a Member must submit the complaint in writing to the Board and request a meeting with the Board by following any procedures the Board has established for a meeting with the Board. The Board may ask questions about the complaint but may choose not to deliberate the merits of the complaint or provide a response to the complaint during a meeting with a Member.

The Board will provide a response to a complaint after the Board has had adequate time to investigate, consider and determine an appropriate response to the complaint.

**1.23 MEMBER ACCESS TO COOPERATIVE RECORDS**

Only Members may inspect and/or obtain copies of Cooperative records. A Member shall have access to the following documents without making a formal request: (1) Articles of Incorporation; (2) Bylaws; (3) annual reports; and (4) Cooperative publications.

In order to inspect all other Cooperative records, a Member of the Cooperative must submit a formal request on a form provided by the Cooperative. Said form shall include an affidavit in



which the Cooperative Member affirms that the information sought is for a proper purpose that serves the interests of the Cooperative and its Members. Depending on the nature of the information sought a Cooperative Member may also be required to execute a reasonable nondisclosure or confidentiality agreement relating to the Cooperative records inspected or copied. Any responses to a formal request shall be in writing and shall not be provided in a simple email response. A response to a formal request shall be in letter form on Cooperative letterhead and mailed, faxed, or provided as a secure document via electronic means. A Cooperative Member requesting information shall be responsible for all costs associated with the request such as copying costs and labor.

A Cooperative Membership list provided by the Cooperative shall only include the names, addresses, and Director Districts of Cooperative Members. The Cooperative shall not release any information that is considered to be confidential, proprietary, or protected by agreement.

UPSHUR-RURAL ELECTRIC COOPERATIVE CORPORATION  
MEMBER POLICIES AND SCHEDULES

**SECTION II**  
**LINE EXTENSION/CONSTRUCTION POLICIES**

*Approved: 12/18/18*

**2.1 LINE EXTENSION/CONSTRUCTION - IN GENERAL**

**Introduction**

These “Line Extension/Construction Policies” (“LX Policies”) shall be considered part of Upshur-Rural Electric Cooperatives Corporation’s (“Cooperative”) “Member Policies”. This Policies together with other Member Policies, the “Rate Schedules/Riders” (collectively, “Schedules”) establish the policies, rules, and fees and charges (“Rates”) applicable to receiving Electric Service or Service from the Cooperative.

Defined terms found throughout the Member Policies shall have the same meaning in the Schedules and throughout the Member Policies. Defined terms found throughout the Schedules shall have the same meaning in the Member Policies and throughout the Schedules.

**Applicable Terms and Facility Ownership**

Line extensions, Cooperative system upgrades, or other construction as part of Electric Service and necessary for delivering Electric Service to a Member shall be constructed under terms, rates, and conditions in effect at the time the construction is completed.

Unless otherwise agreed in writing, any facilities installed by the Cooperative shall remain the sole property of the Cooperative.

**2.2 CONSTRUCTION COSTS**

**Contribution-in-Aid of Construction and LX Cost**

As determined by the Cooperative a Member or other party shall be responsible for paying the Cooperative the total costs of the line extension, Cooperative system upgrades, or other construction requested/necessary for delivering the requested Electric Service to the Member as a nonrefundable “Contribution-in-Aid of Construction” (“CIAC”) payment to recover the Cooperative’s direct investment and associated system cost in the construction/Electric Service that is not recovered from the estimated annual revenue that will be recovered as a result of the construction/Electric Service. In calculating the CIAC payment the Cooperative will consider but may not be limited by the following: (1) all direct costs associated with the line extension/construction; (2) appropriate overhead costs of the Cooperative; and (3) any other costs incurred by the Cooperative requested/necessary for the construction or for delivering the Electric Service (collectively, “LX Cost”).

### **Cost Estimate**

The Cooperative shall prepare and/or provide a “Cost Estimate” for the estimated costs of any construction, in advance of construction. The Cooperative, at its sole discretion, may adjust the Cost Estimate and the Cost Estimate may or may not reflect the actual total LX Cost or the total CIAC payment amount required for the construction. Except as may be otherwise provided in these LX Policies the Cooperative is under no obligation to take any action on the construction or on delivering the Electric Service until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the total CIAC payment.

### **Permanent Service Allowance**

Except as otherwise provided in these LX Policies a Member, providing proof that any construction will be delivering permanent Electric Service, may be provided a credit against their LX Cost as allowed and in an amount established in the applicable Schedule (“Allowance”) to account for the estimated annual revenue that will be recovered for the construction as a result of the Electric Service that will be delivered because of the construction. Any Allowance will be reflected in the Cost Estimate. The determination that any construction will be delivering permanent Electric Service to a location will be at the sole discretion of the Cooperative.

### **Payment Plan**

At the sole discretion of the Cooperative and as an alternative to paying the full amount provided in the Cost Estimate in advance of construction the Cooperative may choose to allow a Member to pay any amounts due as a CIAC payment or any other amounts due under these LX Policies under a Payment Plan.

## **2.3 CONSTRUCTION DETAILS**

The Cooperative will construct, install, operate and maintain its plant, structures, equipment and lines in accordance with the American National Standard Institute (ANSI), National Electric Safety Code (NESC) and other standards as required by law in a manner to serve the public and its Members.

The Point of Delivery, location of the Cooperative installed facilities, and all specifications for any construction shall be at the sole discretion of the Cooperative based on the type of construction and/or the characteristic of the requested Electric Service and the Schedule classification of the Electric Service

## **2.4 OVERHEAD CONSTRUCTION**

The Cooperative’s Schedules and these LX Policies have been designed for overhead construction as the preferred means of line extensions. A Member desiring overhead construction of a line extension, shall be responsible for paying the LX Cost of the overhead construction as a nonrefundable CIAC payment. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on the overhead construction until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the CIAC payment.

## **2.5 UNDERGROUND CONSTRUCTION**

A Member desiring underground construction of a line extension, shall be responsible for paying the LX Cost of the underground construction as a nonrefundable CIAC payment. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on the underground construction until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the CIAC payment.

## **2.6 UNDERGROUND CONVERSION**

A Member desiring to convert existing secondary or primary overhead Service to underground Service, shall be responsible for paying the Cooperative the total costs of the conversion as a nonrefundable CIAC payment. In addition to the LX Cost the Cost Estimate amount for the conversion shall include the estimated cost of retiring the existing facilities. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on the conversion until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the CIAC payment. An Allowance will not be provided for conversions.

Depending on the size and scope of the conversion the Cooperative at its sole discretion may choose to treat the conversion as Project Construction and construct the conversion under the terms and conditions of a Project Construction Agreement.

## **2.7 TEMPORARY CONSTRUCTION**

A Member desiring temporary Electric Service shall be responsible for paying the Cooperative the total costs for providing the temporary Electric Service as a nonrefundable CIAC payment. In addition to the LX Cost the Cost Estimate for providing temporary Electric Service shall include the estimated cost of removing the installed facilities, including the total cost of unsalvageable materials. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on providing the temporary Electric Service until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the CIAC payment. An Allowance will not be provided for temporary Service.

Depending on the size and scope of providing the temporary Electric Service the Cooperative at its sole discretion may choose to treat providing the temporary Electric Service as Project Construction and construct the facilities for the temporary Electric Service under the terms and conditions of a Project Construction Agreement.

## **2.8 RELOCATION OF COOPERATIVE'S FACILITIES**

The Cooperative will relocate or change the routing of its lines and facilities provided the Member or party requesting the relocation pays the total cost of the relocation. The total cost of the relocation shall be paid to the Cooperative as a nonrefundable CIAC in advance of construction. The Cooperative shall prepare and/or provide a Cost Estimate in advance of the relocation. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on the relocation until the Cost Estimate amount is paid in full and an Allowance will not be provided for a relocation.

Depending on the size and scope of the relocation project the Cooperative at its sole discretion may choose to treat the relocation as Project Construction and provide the relocation under the

terms and conditions of a Project Construction Agreement.

## **2.9 COST ADJUSTMENT AND TOTAL CIAC**

If any Cost Estimate payment or other payment under these LX Policies is more or less than the total amount required for the construction under these LX Policies, the Member or party that made the payment shall be refunded or charged the applicable amount. The total amount paid for the construction after any Allowance shall be considered the Member's/party's total CIAC payment amount for the construction.

## **2.10 EASEMENTS AND CLEARING**

It shall be the responsibility of the Member or Member applicant to provide an easement and obtain easement(s) as required to deliver the Electric Service. The easement shall be the Cooperative's standard easement unless otherwise approved by Cooperative management.

The Cooperative will suggest alternative routes, if available, for a Member unable to obtain necessary easement(s) and will support condemnation proceedings as necessary to provide the Service. Costs and expenses associated with condemnation proceedings shall be the sole responsibility of the Member or party requesting the construction.

Prior to construction, it is the responsibility of the Member or the party requesting the construction to clear the easement.

## **2.11 DEVELOPER PROJECTS**

A developer of a subdivision, mobile home park, shopping center, business park, industrial facility, or other unique facility ("Developer") requesting the Cooperative to make Cooperative system upgrades and/or to construct facilities requested/necessary for delivering the requested Electric Service to Developer's project ("Project Construction") shall be responsible for the total costs of the Project Construction. Except as may be otherwise provided in these LX Policies the total costs of the Project Construction shall be paid to the Cooperative as a nonrefundable CIAC payment. A Developer requesting Project Construction shall be required to sign an agreement with the Cooperative containing the terms and conditions of the Project Construction ("Project Construction Agreement").

The Cooperative is under no obligation to take any action on the Project Construction until the Member has paid any amounts required in advance of construction under the terms and conditions of the Project Construction Agreement.

The Cooperative will evaluate and consider Developers' projects on a case by case basis based on the project details provided by the developer in preparing a Project Construction Agreement. At the sole discretion of the Cooperative, a Project Construction Agreement may contain terms and conditions that differ from the Member Policies and the Schedules and may provide an Allowance or modify the total CIAC payment requirement based on evidence of project viability, length/life of Electric Service to the project, project's economic impact on the community, or other factors that would mitigate the financial exposure of the nonprofit Cooperative and its Members in investing in facilities to deliver Electric Service to Developer's project.

## **2.12 SWITCHOVERS**

### **Switching Electric Service from Cooperative to another Supplier**

In cases where a Member requests Disconnection in order to obtain Electric Service from another electric utility certified to provide retail electric serve in the area, the following steps and charges shall apply:

1. A Member shall request Disconnection in writing.
2. A Member shall pay any outstanding account balance in full.
3. A Member shall pay the following charges prior to disconnection:
  - a. A set switchover fee, as established in the Schedules, to cover average direct labor costs of disconnection and average direct vehicle costs associated with the disconnection.
  - b. Variable charges covering direct and indirect labor and transportation costs associated with removing any distribution facilities rendered idle. These variable charges will only apply if: (i) removal is requested by the disconnecting Member; (ii) removal is necessary for safety reasons; or (iii) the salvage value of the facilities do not exceed the cost of removal.
  - c. A charge based upon the original cost of the distribution facilities rendered idle and not reusable elsewhere on the distribution system, less depreciation, salvage and any previous CIAC payment.
3. Upon payment of the full account balance and other fees and charges due under this provision, a Member shall receive a paid receipt from the Cooperative for presentation to the connecting utility.
4. A Member shall be advised that the connecting electric utility may not provide Electric Service until such connecting utility has evidence that a Member has paid all amounts owed to the Cooperative.

### **Switching Electric Service from another Supplier to Cooperative**

In areas of the Cooperative's service territory where other suppliers are certificated to provide retail electric service, a customer of another supplier may switch Electric Service to the Cooperative.

The customer of the other supplier shall provide evidence to the Cooperative that the switchover rules of the current supplier have been satisfied and satisfy all terms and conditions for Electric Service required by the Cooperative before Electric Service will be provided.

UPSHUR-RURAL ELECTRIC COOPERATIVE CORPORATION  
MEMBER POLICIES AND SCHEDULES

**SECTION “S”**  
**RATE SCHEDULES/RIDERS**

*Approved: 12/18/18*

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## **S.1 GENERAL PROVISIONS**

### **Introduction**

These “Rate Schedules/Riders” (collectively, “Schedules”, each individually herein, “Schedule”) together with the Member Policies establish the policies, rules, and fees and charges (“Rates”) applicable to receiving Electric Service or Service from the Cooperative.

Defined terms found throughout the Member Policies shall have the same meaning in the Schedules and throughout the Member Policies. Defined terms found throughout the Schedules shall have the same meaning in the Member Policies and throughout the Schedules.

All Schedules are subject to the terms and conditions set forth in the Member Policies. In case of a conflict between any Schedule and any Member Policy provision/definition, the Schedule provision/definition shall apply.

### **Single Point of Delivery**

Rates for Electric Service are based upon Service to the entire location through a single Point of Delivery and metering point. Service to the same Member at other Points of Delivery shall be separately metered and charged under the applicable Schedule(s).

### **Terms of Payment**

Except as otherwise may be provided in a specific Schedule, amounts due for Electric Service are subject to the payment provisions of the Member Policies.

### **Sales Tax**

Any taxes now or hereafter applicable to the Electric Service shall be charged to the Member in addition to applicable rates. Taxes shall not be charged if the Member has furnished proof of exemption in a form acceptable to the Cooperative.

### **Municipal Franchise Tax Adjustment**

For service rendered within the incorporated limits of a municipality which imposes a gross receipts tax upon the revenues received by the Cooperative from its members, the Cooperative shall calculate an applicable tax adjustment to be a separately stated adjustment on each member’s bill. The amount of the separately stated tax adjustment shall be determined by the following formula:

$$\text{FTA} = \text{TAB} \times \text{GRTR}$$

Where:

FTA = Franchise tax adjustment

TAB = Total amount billed for electric service under any applicable tariff or rate, excluding sales tax and any other amounts which are deductible under provisions of the Cooperative’s franchise with municipality within which incorporated limits member’s service is rendered.

GRTR = Gross receipts tax rate (expressed as a decimal) levied by the municipality within which incorporated limits member’s service is rendered.



For service rendered to a municipality which imposes a gross receipts tax upon the revenues received by the Cooperative from its members, no franchise tax adjustment will be calculated or billed to said municipality for such service.

**S.2 FEES AND DEPOSITS**

**SCHEDULE F**

<b>Fees and Deposits</b>	<b>Amount</b>
Administrative Fee - <i>Approved/Effective 02-17-15/04-01-15 (As Service Connection Fee)</i> Billed to an account whenever Electric Service is connected/reconnected at a location or Cooperative personnel is required to take administrative action on a Member account.	\$25.00
Returned Payment Fee - <i>Approved/Effective 02-17-15/04-01-15</i> Billed to an account whenever payment is returned unpaid by a Member's banking institution.	\$30.00
Trip Fee - <i>Approved/Effective 02-17-15/04-01-15</i> Billed to an account when Cooperative personnel is required to visit a Member Property as a result of the Member's actions or otherwise required by the Member Policies.	\$50.00
3 <sup>rd</sup> Party Collection Fee - <i>Approved/Effective 06-21-16/06-21-16</i> Billed to an account when the Cooperative submits a Member's balance on a delinquent account to a third-party collection agency for collection.	\$10.25
Meter Test Fee - <i>Approved/Effective 12-18-18/03-01-19</i> Billed to an account when a Member requests a meter test within four (4) years of prior meter test at the location and the meter is found to be within accuracy standards as provided by the Member Policies.	\$50.00 per Meter
Meter Tampering Fee - <i>Approved/Effective 12-18-18/03-01-19</i> Billed to an account when the Cooperative determines that meter tampering has occurred.	\$100.00 First Occurrence \$150.00 Second Occ. \$200.00 Third Occ. and Each Occ. Thereafter
Late Payment Fee - <i>Approved/Effective 02-22-00/02-22-00</i> Billed to an account when a Member's Credit Account becomes delinquent.	5%
Minimum Deposit - <i>Approved/Effective 09-20-16/09-20-16</i> The minimum amount required to establish a Credit Account with the Cooperative if a deposit is required.	\$230.00

**S.3 LINE EXTENSION/CONSTRUCTION CHARGES and ALLOWANCES**

**SCHEDULE LX**

(1 page)

**Allowances (Overhead and Underground Construction)**

Residential, Schedule A, *Approved/Effective 05-16-17/06-01-17:* . . . . . \$1,425.04

Small Commercial, Schedule B, *Approved/Effective 05-16-17/06-01-17:* . . . . . \$572.87

**Switchovers**

Switchover Fee, *Approved/Effective 08-31-99/08-31-99:* . . . . . \$180.00

## **S.4 RESIDENTIAL SERVICE**

### **SCHEDULE A**

Approved/Effective 03-21-2017 / 06-01-2017

(1 page)

#### **Availability**

Available to Members of the Cooperative for all residential uses; subject to the Cooperative's policies. The capacity of individual motors served under this Schedule may not exceed 5 H.P. without prior written approval from the Cooperative.

#### **Type of Service**

Single-phase, 60 cycle, at standard secondary voltage. With prior approval from the Cooperative, service may be three-phase if three-phase lines are near the premise and three-phase service is necessary for effective use of energy desired.

#### **Monthly Rate**

	June 1, 2017	June 1, 2018	June 1, 2019
Base Charge:	\$19.00	\$20.00	\$21.00
Energy Charge, per kWh:	\$0.092524	\$0.092524	\$0.092524

#### **Minimum Monthly Charge**

The Base Charge or the amount stated in any agreement with the Member

#### **Power Cost Recovery Factor**

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRF.

## **S.5 SMALL COMMERCIAL AND GENERAL SERVICE**

### **SCHEDULE B**

Approved/Effective 03-21-2017 / 06-01-2017

(1 page)

#### **Availability**

Available to Members of the Cooperative for all commercial, industrial, or other uses not specifically provided for in other Schedules; subject to the Cooperative's policies. The capacity of individual motors served under this Schedule may not exceed 10 H.P. without prior written approval from the Cooperative.

#### **Type of Service**

Single-phase, 60 cycle, at standard secondary voltage

#### **Monthly Rate**

	June 1, 2017	June 1, 2018	June 1, 2019
Base Charge:	\$19.00	\$20.00	\$21.00
Energy Charge, per kWh:	\$0.092524	\$0.092524	\$0.092524

#### **Minimum Monthly Charge**

The Base Charge or the amount stated in any agreement with the Member

#### **Power Cost Recovery Factor**

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRF.

#### **Additional Conditions**

1. Single phase Service with less than 50 KVA installed transformer capacity shall be classified under Schedule B.

Single phase Service with 50 KVA installed transformer capacity or greater shall be classified initially under Schedule B. After all bills are calculated for the month of December, the Cooperative will review the Member's usage for the previous year. If the average load factor is low, 15% or less, then Service shall be re-classified under Scheduled C and charges for Electric Service shall be in accordance Schedule C. If the average load factor is high, 40% or greater then Service shall remain classified under Scheduled B and charges for Electric Service shall be in accordance with Schedule B. If the average load factor is over 15% but less than 40%, the Cooperative shall make a case by case determination on the appropriate rate classification for the Service (Schedule B or C).

2. Temporary service shall be supplied in accordance with the foregoing rate except that Member shall pay in addition, the total cost of connecting and disconnecting service, less the value of materials returned to stock.

## **S.6 COMMERCIAL AND INDUSTRIAL POWER SERVICE**

### **SCHEDULE C**

Approved/Effective 03-21-2017 / 06-01-2017

(2 pages)

#### **Availability**

Available to Members of the Cooperative for all commercial, industrial, or other uses not specifically provided for in other rate schedules; subject to the Cooperative's policies.

#### **Type of Service**

Three-phase, 60 cycle, at standard secondary voltage

#### **Monthly Rate**

Base Charge:	\$37.50
Demand Charge, per Billing kW:	\$3.50
Energy Charge, per kWh:	\$0.087748

#### **Minimum Monthly Charge**

The greater of the Base Charge, eighty-five percent (85%) of the maximum kilowatt demand charge established during the eleven proceeding months, or the minimum monthly charge stated in any agreement with the Member.

#### **Determination of Billing Demand**

The Billing Demand shall be the maximum kilowatt demand established by the Member for any consecutive fifteen-minute period during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

#### **Power Factor Adjustment**

The Member agrees to maintain unity power factor as nearly as practicable. Demand charges may be adjusted for a Member with power factors lower than 95%, as the Cooperative deems necessary. Such adjustments will be made by increasing the measured demand by 1% for each 1% by which the power factor is less than 95%.

#### **Power Cost Recovery Factor**

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRF.

#### **Additional Conditions**

1. Three phase Service with estimated demand of 50 KW or less shall be classified under Schedule C.

Three phase Service with estimated demand of over 50 KW shall be initially classified under Schedule C or LPI depending on the anticipated more favorable rate (less cost to Member). After all bills are calculated for the month of December, the Cooperative will review the total annual charges for those Members who recorded a demand of over 50 KW for at least nine (9) months of the year. The Cooperative will compare the total annual charges between Schedule LPI and Schedule C and will either retain the rate

classification of the Service or change the rate classification of the Service depending on the rate that is most favorable to the Member. However, for Service to maintain a rate classification under Schedule LPI the Member's demand must be over 50 KW for at least nine (9) months of the year.

2. Temporary service shall be supplied in accordance with the foregoing rate except that consumer shall pay in addition to the foregoing charges the total cost of connecting and disconnecting service, less the value of materials returned to stock.

## **S.7 LARGE POWER SERVICE - INDUSTRIAL**

### **SCHEDULE LPI**

Approved/Effective 03-21-2017 / 06-01-2017

(2 pages)

#### **Availability**

Available to Members of the Cooperative with connected loads in excess of 50 KW or 50 H.P. for all commercial, industrial or other uses not specifically provided for in other rate schedules; subject to the Cooperative's policies.

#### **Type of Service**

Three-phase, 60 cycle, at available voltage

#### **Monthly Rate**

Base Charge:	\$100.00
Demand Charge, per Billing kW	\$11.09
Energy Charge, per kWh	\$0.055907

#### **Minimum Monthly Charge**

The minimum monthly charge shall be the greater of the following charges:

1. The minimum monthly charge stated in any agreement with the Member.
2. The kilowatt demand charge, but not less than the maximum kilowatt demand charge established during the preceding eleven months.
3. The Base Charge.

#### **Determination of Billing Demand**

The Billing Demand shall be the maximum kilowatt demand established by the Member for any consecutive fifteen-minute period during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

#### **Power Factor Adjustment**

The Member agrees to maintain unity power factor as nearly as practicable. Demand charges may be adjusted for a Member with power factors lower than 95%, as the Cooperative deems necessary. Such adjustments will be made by increasing the measured demand by 1% for each 1% by which the power factor is less than 95%.

#### **Power Cost Recovery Factor**

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRF.



### **Additional Conditions**

1. If Service is furnished at voltage higher than the Cooperative's standard secondary voltages, the Cooperative shall have the option of metering at secondary voltage and adding the estimated transformer losses to the metered kilowatt-hours and kilowatt demand.
2. All wiring, pole line, and other electrical equipment on the Member side of the meter shall be considered the distribution system of the Member and shall be furnished and maintained by the Member.
3. *Capacity Charge for Highly Fluctuating Loads:* Should the Member operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Cooperative to install special facilities to serve the Member or to prevent disturbances to the service to other Members, an additional charge of \$1.00 per month per kilovolt-ampere (kVA) or fraction thereof of transformer capacity installed by the Cooperative to serve the Member, will be added to the Member's bill.
4. Three phase Service with estimated demand of 50 KW or less shall be classified under Schedule C.

Three phase Service with estimated demand of over 50 KW shall be initially classified under Schedule C or LPI depending on the anticipated more favorable rate (less cost to Member). After all bills are calculated for the month of December, the Cooperative will review the total annual charges for those Members who recorded a demand of over 50 KW for at least nine (9) months of the year. The Cooperative will compare the total annual charges between Schedule LPI and Schedule C and will either retain the rate classification of the Service or change the rate classification of the Service depending on the rate that is most favorable to the Member. However, for Service to maintain a rate classification under Schedule LPI the Member's demand must be over 50 KW for at least nine (9) months of the year.

## **S.8 OUTDOOR LIGHTING**

### **SCHEDULE OL**

Approved/Effective 03-21-2017 / 06-01-2017

(2 pages)

#### **Availability**

Available to Members of the Cooperative for all residential, commercial, industrial or other uses not specifically provided for in other Schedules; subject to the Cooperative's policies.

#### **Type of Service**

Outdoor Lighting utilizing an outdoor type lamp ("Lamp") and other necessary equipment will be provided by the Cooperative per the charges provided in this Schedule. The Cooperative may no longer offer a particular Lamp or other equipment referenced in this Schedule but will provide Members with an equivalent option.

#### **Monthly Charges**

The monthly charge for providing Outdoor Lighting shall be the total of all the following charges that apply to a location:

##### *Monthly Charges (per light) for Traditional Lamps*

100 Watt HPS	\$7.35 per month plus PCRf charge for 39 kWh
150 Watt HPS Underground Service	\$7.42 per month plus PCRf charge for 39 kWh
175 Watt MV	\$8.60 per month plus PCRf charge for 68 kWh
250 Watt HPS (w/Roadway Arm)	\$16.87 per month plus PCRf charge for 97 kWh
400 Watt HPS(Flood)	\$22.31 per month plus PCRf charge for 155 kWh
1000 Watt HPS (Flood)	\$44.26 per month plus PCRf charge for 389 kWh

##### *Monthly Charges (per light) for LED Lamps*

LED Outdoor Light 50 Watt (Equivalent to 110 Watt HPS and 175 MV)	\$7.35 per month plus PCRf charge for 15 kWh
LED Flood Light 130 Watt (Equivalent to 250 and 400 Watt HPS)	\$22.31 per month plus PCRf charge for 39 kWh
LED Flood Light 421 Watt (Equivalent to 1,000 Watt HPS)	\$44.26 per month plus PCRf charge for 126 kWh
LED Decorative Light 100 Watt (Equivalent to 150 Watt HPS Underground)	\$7.42 per month plus PCRf charge for 30 kWh

##### *Other Monthly Charges:*

Transformer Charge (Light Only)	\$21.00 per month
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#### **Pole Charges**

When it is necessary for a pole to be installed in order for the Cooperative to provide Outdoor Lighting the type of pole shall be determined by the Cooperative depending on the Service requested and the following charges shall apply per required pole:

*Wooden Poles for Overhead Service*

30 Foot, Class 6 Pole                      \$325.00 one-time charge

*Fiberglass/Metal Poles Underground Service*

14 Foot    \$1,325.00 one-time charge

**Charges for Underground Lighting Extensions**

The above charges for Fiberglass/Metal poles includes a secondary underground lighting extension of 180 feet of 120v rated wire at the minimum required trench depth. Additional wire/ditching beyond 180 feet or the minimum required trench depth shall be charged at the cost per foot provided below and/or any additional costs associated with satisfying the Member's requirements for the installation.

Secondary UG Lighting Extension ..... \$10.00 per ft.  
(from the nearest transformer feed)

**Power Cost Recovery Factor**

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRF.

**Additional Conditions**

If additional pole or poles are required either to light at Member's desired location or to deliver Electric Service to said light, then the Service as requested or required by the Member will be extended to the location consistent with the Cooperative's Line Extension/Construction Policy.

## **S.9 MUNICIPAL STREET LIGHTING**

### **SCHEDULE MSL**

Approved/Effective 03-21-2017 / 06-01-2017

(2 pages)

#### **Availability**

This Schedule is available for street lighting purposes in any community in which the Cooperative has a franchise for providing Electric Service (“Cooperative Municipality”).

#### **Type of Service**

Street Lighting utilizing an outdoor type lamp (“Lamp”) will be provided by the Cooperative per the charges provided in this Schedule. The Cooperative may no longer offer a particular Lamp or other equipment referenced in this Schedule but will provide a Cooperative Municipality with an equivalent option.

#### **Monthly Charges**

The monthly charge for providing Street Lighting shall be the total of all the following charges that apply:

##### *Monthly Charges (per light) for Mercury Vapor (“MV”) Photo-electric controlled Lamps*

175 Watt MV	\$6.72 per month plus PCRFB charge for 68 kWh
400 Watt MV	\$13.49 per month plus PCRFB charge for 155 kWh

##### *Monthly Charges (per light) for High Pressure Sodium (“HPS”) Lamps of comparable lumens*

100 Watt HPS	\$5.44 per month plus PCRFB charge for 39 kWh
250 Watt HPS	\$10.01 per month plus PCRFB charge for 97 kWh
400 Watt HPS	\$14.52 per month plus PCRFB charge for 155 kWh

##### *Monthly Charges (per light) for LED Lamps*

LED Municipal Outdoor Light 50 Watt \$5.44 per month plus PCRFB charge for 15 kWh  
(Equivalent to 100 Watt HPS and 175 Watt MV)

LED Municipal Street Light 101 Watt \$10.01 per month plus PCRFB charge for 30 kWh  
(Equivalent to 250 Watt HPS)

LED Municipal Flood Light 130 Watt \$14.52 per month plus PCRFB charge for 39 kWh  
(Equivalent to 400 Watt HPS and 400 Watt MV)

#### **Allowance**

Under this Schedule the Cooperative will provide an Allowance up to, but not exceed the following amounts:

175 Watt	\$233.00 (per light installed)
250 Watt	\$275.00 (per light installed)
400 Watt	\$350.00 (per light installed)

**Power Cost Recovery Factor**

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRf.

## **S.10 PREPAID RESIDENTIAL SERVICE**

### **SCHEDULE PPA**

Approved/Effective 02-17-2015 / 04-01-2015

(3 pages)

#### **Availability**

Available to Members of the Cooperative for all residential uses that could also be classified under the Cooperative's Schedule A; subject to the Cooperative's Member Policies. The capacity of individual motors served under this Schedule may not exceed 5 H.P. without prior written approval from the Cooperative.

#### **Type of Service**

Single-phase, 60 cycle, at standard secondary voltage. With prior written approval from the Cooperative, Service may be three-phase if three-phase lines are near the premise and three-phase service is necessary for effective use of energy desired.

#### **Participation in Prepaid Metering Program**

A Member may choose to establish a Prepaid Account and prepay for Electric Service under the terms and conditions of the Cooperative's Prepaid Metering Program contained in this Schedule ("PPM Program"). A Member desiring to participate in the PPM Program shall submit a signed "Prepaid Metering Program Application and Agreement" ("PPM Agreement") and submit any required amounts required of the Cooperative to participate in the PPM Program. A Member participating in the PPM Program agrees to the terms and conditions of the PPM Program established in this Schedule, the Member Policies and other Schedules and the PPM Agreement. To the extent that any terms or conditions of the PPM Program found in this Schedule or the PPM Agreement are in conflict with any other provisions of the Cooperative's Member Policies and Schedules the terms and conditions found in this Schedule shall prevail.

Participation in the PPM Program is at the sole discretion of the Cooperative and the Cooperative may deny a Member's Application or remove a Member from the PPM Program at any time, without consent or notice. Additionally, the Cooperative's Board of Directors ("Board") may revise or cancel the PPM Program, at any time, without consent or notice.

#### **Requirements to Participate**

Members desiring to participate in the Program shall:

1. not require continuous Electric Service for a Medical Need; and
2. not owe any outstanding amounts to the Cooperative or in the alternative have entered into a Payment Plan with the Cooperative in which at least 25% of amounts submitted to maintain a Prepaid Account balance shall be applied to any outstanding amounts due the Cooperative.

**Required Balances**

The following Prepaid Account balance amounts shall be required of a Member to establish or re-establish a Prepaid Account and to participate in the Program after any other fees or other amounts due the Cooperative to participate in the Program:

Establishment of Prepaid Account.....	\$30.00
Re-establishment of Prepaid Account.....	\$30.00

**Monthly Rate**

	June 1, 2017	June 1, 2018	June 1, 2019
Base Charge:	\$19.00	\$20.00	\$21.00
Energy Charge, per kWh:	\$0.092524	\$0.092524	\$0.092524

**Minimum Monthly Charge**

The Base Charge or the amount stated in any agreement with the Member.

**Power Cost Recovery Factor**

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRF.

**Municipal Franchise Tax Adjustment**

The Municipal Franchise Tax Adjustment shall apply to a Prepaid Account.

**Application of Minimum Monthly Charge/Other Monthly Charges**

Any charges that are assessed monthly against an account may be converted to a “daily value” and assessed daily against the Prepaid Account balance.

**Credit Balance Required and True-Up**

Prepaid Accounts must maintain a credit balance on the Prepaid Account at all times. Prepaid Accounts balances will be typically updated daily by the Cooperative. A Member’s Prepaid Account will be adjusted at the end of each billing cycle (monthly) and any additional charges consistent with actual usage or otherwise applicable in providing Electric Service will be applied against the Prepaid Account’s credit balance (“Prepaid True-up”).

**Disconnection**

Discontinuance of Electric Service or “Disconnection” shall occur without mailed notice if the Prepaid Account balance falls below \$0.00.

Disconnection may occur at any time after the Prepaid Account balance falls below \$0.00 (e.g. 7 days/week, 24 hours/day) including holidays and weekends (e.g. Saturday and Sunday). Disconnection may also occur as provided in other provisions of the Member Policies and Schedules.

Disconnection may be deferred because of an Extreme Weather Event. A Prepaid Account shall continue to accrue charges for Electric Service during an Extreme Weather Event and Electric Service may be discontinued by the Cooperative when the Extreme Weather Event has ended if the Member fails to submit amounts necessary to bring the Prepaid Account to a positive balance.

Upon Disconnection, charges for electric energy usage shall not accrue but any Monthly fees and other applicable monthly charges may be assessed against the Prepaid Account until such time that the Prepaid Account becomes inactive.

### **Inactive Prepaid Account and Membership Termination**

A Prepaid Account that has had Electric Service discontinued for a period of more than seven days will be considered inactive. When a Prepaid Account becomes inactive a Member's membership in the Cooperative shall be terminated if the Prepaid Account is the only account an individual has with the Cooperative. A final bill will be provided to individual's whose Prepaid Account has become inactive at the last known address on file for the Prepaid Account in question for any outstanding amounts due the Cooperative.

### **Restoration of Service for Prepaid Accounts**

All amounts due the Cooperative and balance requirements shall be satisfied before the Cooperative will restore Electric Service that has been discontinued. Additionally, the Cooperative may require a Member to take other actions or perform certain steps to allow for the safe restoration of Electric Service before the Cooperative will restore Electric Service that has been discontinued.

Electric Service will not be restored at a location for a Prepaid Account that has become inactive. An individual requesting the restoration of Electric Service that has become inactive at a location must take the steps necessary to re-establish a Prepaid Account as required by the Cooperative or establish a new account with the Cooperative for Electric Service provided to the location.

### **Member Responsibilities**

A Member participating in the PPM Program understands and agrees:

1. That it is the responsibility of the Member to monitor and administer their Prepaid Account and that in doing such they should subscribe to and utilize the Cooperative's online bill payment portals or follow other instructions provided by the Cooperative to monitor and administer their Prepaid Account.
2. That all communications regarding a Prepaid Account, including any notices of Disconnection and low Prepaid Account balances will be provided through the Cooperative's online bill payment portals or by other electronic means determined by the Cooperative and that it is the responsibility of the Member to monitor for such communications to avoid Disconnection.



**S.11 PREPAID SMALL COMMERCIAL AND GENERAL SERVICE**

**SCHEDULE PPB**

Approved/Effective 02-17-2015 / 04-01-2015

(4 pages)

**Availability**

Available to Members of the Cooperative for all commercial, industrial or other uses not specifically provided for in other rate schedules at 200-amp service locations only that could also be classified under the Cooperative’s Schedule B. The capacity of individual motors may not exceed 10 H.P. without prior written approval from the Cooperative.

**Type of Service**

Single-phase, 60 cycle, at standard secondary voltage.

**Participation in Prepaid Metering Program**

A Member may choose to establish a Prepaid Account and prepay for Electric Service under the terms and conditions of the Cooperative’s Prepaid Metering program contained in this Schedule (“PPM Program”). A Member desiring to participate in the PPM Program shall submit a signed “Prepaid Metering Program Application and Agreement” (“PPM Agreement”) and submit any required amounts required of the Cooperative to participate in the PPM Program. A Member participating in the PPM Program agrees to the terms and conditions of the PPM Program established in this Schedule, the Member Policies and other Schedules and the PPM Agreement. To the extent that any terms or conditions of the PPM Program found in this Schedule or the PPM Agreement are in conflict with any other provisions of the Cooperative’s Member Policies and Schedules the terms and conditions found in this Schedule shall prevail.

Participation in the PPM Program is at the sole discretion of the Cooperative and the Cooperative may deny a Member’s Application or remove a Member from the PPM Program at any time, without consent or notice. Additionally, the Cooperative’s Board of Directors (“Board”) may revise or cancel the PPM Program, at any time, without consent or notice.

**Requirements to Participate**

Members desiring to participate in the Program shall:

1. not require continuous Electric Service for a Medical Need; and
2. not owe any outstanding amounts to the Cooperative or in the alternative have entered into a Payment Plan with the Cooperative in which at least 25% of amounts submitted to maintain a Prepaid Account balance shall be applied to any outstanding amounts due the Cooperative.

**Required Balances**

The following Prepaid Account balance amounts shall be required of a Member to establish or re-establish a Prepaid Account and to participate in the Program after any other fees or other amounts due the Cooperative to participate in the Program:

Establishment of Prepaid Account.....	\$30.00
Re-establishment of Prepaid Account.....	\$30.00

## Monthly Rate

	June 1, 2017	June 1, 2018	June 1, 2019
Base Charge:	\$19.00	\$20.00	\$21.00
Energy Charge, per kWh:	\$0.092524	\$0.092524	\$0.092524

## Minimum Monthly Charge

The Base Charge or the amount stated in any agreement with the Member.

## Power Cost Recovery Factor

In addition to all other charges, the amount of the charges computed under the foregoing rate will be increased or decreased as set out in Rider PCRF.

## Municipal Franchise Tax Adjustment

The Municipal Franchise Tax Adjustment shall apply to a Prepaid Account.

## Application of Minimum Monthly Charge/Other Monthly Charges

Any charges that are assessed monthly against an account may be converted to a “daily value” and assessed daily against the Prepaid Account balance.

## Credit Balance Required and True-Up

Prepaid Accounts must maintain a credit balance on the Prepaid Account at all times. Prepaid Accounts balances will be typically updated daily by the Cooperative. A Member’s Prepaid Account will be adjusted at the end of each billing cycle (monthly) and any additional charges consistent with actual usage or otherwise applicable in providing Electric Service will be applied against the Prepaid Account’s credit balance (“Prepaid True-up”).

## Disconnection

Discontinuance of Electric Service or “Disconnection” shall occur without mailed notice if the Prepaid Account balance falls below \$0.00.

Disconnection may occur at any time after the Prepaid Account balance falls below \$0.00 (e.g. 7 days/week, 24 hours/day) including holidays and weekends (e.g. Saturday and Sunday). Disconnection may also occur as provided in other provisions of the Member Policies and Schedules.

Disconnection may be deferred because of an Extreme Weather Event. A Prepaid Account shall continue to accrue charges for Electric Service during an Extreme Weather Event and Electric Service may be discontinued by the Cooperative when the Extreme Weather Event has ended if the Member fails to submit amounts necessary to bring the Prepaid Account to a positive balance.

Upon Disconnection, charges for electric energy usage shall not accrue but any Monthly fees and other applicable monthly charges may be assessed against the Prepaid Account until such time that the Prepaid Account becomes inactive.

## Inactive Prepaid Account and Membership Termination

A Prepaid Account that has had Electric Service discontinued for a period of more than seven days will be considered inactive. When a Prepaid Account becomes inactive a Member’s membership in the Cooperative shall be terminated if the Prepaid Account is the only account an individual has

with the Cooperative. A final bill will be provided to individual's whose Prepaid Account has become inactive at the last known address on file for the Prepaid Account in question for any outstanding amounts due the Cooperative.

### **Restoration of Service for Prepaid Accounts**

All amounts due the Cooperative and balance requirements shall be satisfied before the Cooperative will restore Electric Service that has been discontinued. Additionally, the Cooperative may require a Member to take other actions or perform certain steps to allow for the safe restoration of Electric Service before the Cooperative will restore Electric Service that has been discontinued.

Electric Service will not be restored at a location for a Prepaid Account that has become inactive. An individual requesting the restoration of Electric Service that has become inactive at a location must take the steps necessary to re-establish a Prepaid Account as required by the Cooperative or establish a new account with the Cooperative for Electric Service provided to the location.

### **Member Responsibilities**

A Member participating in the PPM Program understands and agrees:

1. That it is the responsibility of the Member to monitor and administer their Prepaid Account and that in doing such they should subscribe to and utilize the Cooperative's online bill payment portals or follow other instructions provided by the Cooperative to monitor and administer their Prepaid Account.
2. That all communications regarding a Prepaid Account, including any notices of Disconnection and low Prepaid Account balances will be provided through the Cooperative's online bill payment portals or by other electronic means determined by the Cooperative and that it is the responsibility of the Member to monitor for such communications to avoid Disconnection.

### **Additional Terms for Schedule PPB Prepaid Accounts**

1. After all bills are calculated for the month of December, the Cooperative will review the Member's usage for the previous year. If the average load factor is low, 15% or less, the Cooperative will re-classify the Service under Schedule C and the Member will no longer be allowed to participate in PPM Program for the account. If the average load factor is high, 40% or greater, Service will remain classified under Schedule PPB. If the average load factor is over 15% but less than 40%, the Cooperative will consider on a case by case basis whether the Service will be re-classified under Schedule C. If Service is re-classified any credit balance will be applied towards any outstanding amounts owed the Cooperative for any of the Member's accounts and then towards a Credit Account's deposit requirements for the location.
2. Temporary Service may be supplied in accordance with this Schedule.

## **S.12 RENEWABLE ENERGY CREDIT RIDER**

### **RIDER REC**

Approved/Effective 01-24-2017 / 01-25-2017

(1 page)

#### **Availability**

Available to a Member of the Cooperative who (i) takes Electric Service pursuant to a currently approved Large Power Service Rate, or LPI Rate, in accordance with the Cooperative's service rules and regulations, and (ii) has executed an **AGREEMENT FOR ELECTRIC SERVICE BACKED BY 100% RENEWABLE ENERGY CERTIFICATES** ("REC Agreement") with Cooperative. Service hereunder is available for as long as Cooperative has access to adequate Renewable Energy Credits ("REC(s)") to serve the Member's metered energy.

This rate is not available to temporary, shared, or resale service. This rate is available to service supplied at one point of delivery and measured through one meter within the Cooperative system.

#### **REC Service**

Cooperative and its power supplier, Northeast Texas Electric Cooperative (NTEC), will allocate and retire RECs representing the environmental attributes associated with renewable energy generation for 100% of Member's electricity usage. (Member will not have electricity from a specific renewable facility, but the purchase of RECs ensures that renewable energy equal to 100% of Member's electricity usage will be produced using renewable resources.) RECs may be allocated and retired from (a) certain NTEC and Cooperative generation sources or (b) purchases from third parties pursuant to the REC Agreement.

#### **Quantity**

Member's REC needs are matched to its annual metered energy, or Cooperative's estimate thereof, and billed monthly based on metered usage (1 REC = 1 zero emissions megawatt-hour).

#### **Pricing**

A Charge of \$0.003 per kilowatt-hour (3 cents per REC), applied to each kilowatt-hour purchased by Member, to be adjusted annually to reflect changes in REC market conditions according to independently published market prices for RECs. All other charges applicable under Cooperative's "Large Power Service – Industrial" rate schedule will continue to apply.

#### **Term**

Annual recurring service terms until terminated by either party pursuant to the REC Agreement.

### **S.13 POWER COST RECOVERY FACTOR**

#### **RIDER PCRFB**

Approved/Effective 01-24-2017 / 01-25-2017

(1 page)

The Cooperative shall adjust all bills in accordance with the following adjustments if applicable. The Power Cost Recovery Factor (“PCRFB”) shall be applied to each KWH sold in addition to any monthly minimum, contract minimum, or annual minimum charges and shall not apply toward satisfying any of said minimum charges.

#### **Power Cost Recovery Factor (PCRFB)**

Members’ monthly charges as provided under the applicable Schedule shall be increased or decreased on a uniform per KWH basis computed monthly as follows:

$$\text{PCRFB} = (A - B \pm C) \div \text{KWHs}$$

Where:

PCRFB = Power Cost Recovery Factor (expressed in \$ per KWH) to be applied to estimated energy sales for the billing period.

A = Total estimated purchased electricity cost from all suppliers including fuel for the billing.

B = Total estimated purchased electricity cost from all suppliers including fuels which are included in the Cooperative’s base rates. The base power cost is computed as:

$$B = (D) (\text{kWhs})$$

$$D = \text{Base power cost in } \$/\text{kWh} \text{ sold of } \$0.076116.$$

kWhs = Total estimated energy sales for billing period, excluding kilowatt-hours sold to Members billed under Schedule C-1.

C = Adjustment to be applied to the current monthly billing to account for differences in actual purchased electricity costs and actual PCRFB revenues recovered in previous periods.

## **S.14 GENERATION RIDER**

### **RIDER G RATE SCHEDULE G**

Approved 03/21/17/ Effective 06/01/17  
(2 pages)

#### **Application**

Applicable to Distributed Generation smaller than 3 MW of connected generation connection in parallel operation to the Cooperative's lines in accordance with the Cooperative's service rules and regulations and the Cooperative's Distributed Generation Procedures and Guidelines Manual for Members (available on request)

This rate is not applicable to temporary, shared, or resale service. This rate is applicable to service supplied at one point of delivery and measured through one meter.

#### **Sales to Member**

Sales to a Distributed Generation Member shall be consistent with the applicable retail rate tariff established by the Cooperative and in use by the Member as if there were no Distributed Generation installation.

#### **Purchases from a Member Facility Classified as 25KW of Connected Generation and Smaller**

For power produced in excess of on-site requirements, the Member shall be compensated by the retail purchase meter running in reverse (Net Metering). The Cooperative shall bill the Member for the excess of energy supplied by the Cooperative over and above the energy supplied by the Member during each billing period according to the Cooperative's applicable retail rate schedule.

Net Metering is defined as measuring the difference between the electricity supplied by the Cooperative and the electricity generated by the Members facility and fed back to the electric grid over the operable time period.

When the energy supplied by the Member exceeds the energy supplied by the Cooperative during a billing period, the monthly charge and/or minimum bill of the retail rate schedule shall be billed by the Cooperative in addition to the monthly metering charge, and the excess energy shall be provided at no charge to the Cooperative.

#### **Purchases from a Member's DG or QF Facility Classified as Having a Design Capacity As Greater than 25KW and Less Than 3 MW of Connected Generation**

Determination of billing shall be accomplished by interconnection through two meters with one measuring all energy supplied by the Cooperative to the Member and the other measuring all energy supplied by the Member, or a single meter capable of providing data so the Cooperative can determine the energy supplied by the Cooperative to the Member and the energy supplied by the Member to the Cooperative.

If the Member's generation is a QF, the Cooperative shall purchase power from the Member at the avoided wholesale energy cost of the Cooperative's power supplier, or such other rate as mutually

agreed upon by the QF-Member and the Cooperative and, if requested by the Cooperative, the Cooperative's power supplier.

If the Member's generation is a DG, but not a QF, the Cooperative may, at its sole discretion and upon approval of its power supplier, purchase power from the non-QF Member at a rate that is not greater than the avoided wholesale energy cost of the Cooperative's power supplier, as determined for each non QF-Member on a case by case basis; provided, however, purchase of power from a DG-Member whose generation is not a QF may be at or such other rate as mutually agreed upon by the non-QF Member and the Cooperative and, if requested by the Cooperative, the Cooperative's power supplier.

### **Monthly Metering Charge**

Each billing period the Member shall be obligated to pay the following charges in addition to all charges indicated on Member's base rate:

#### Member Charge:

25 kW and smaller @ \$21 per meter installation

Over 25 kW and under 3,000 Kw @ \$50 per meter installation

#### Additional Charge

For meter readings by Cooperative personnel where the Cooperative determines remote access to meter reading is not feasible, a monthly meter reading charge will be assessed equal to the AMI opt out charge.

### **Facilities Charge**

As determined at the sole discretion of the Cooperative on a non-discriminatory case by case basis to recover any additional expenses caused by the Member's general facility.

### **Data Access - Communications Link**

In addition to all other charges in this Rider and the Cooperative's policies, the Member will provide the Cooperative at Member's own expense a communications link as approved at the sole discretion of the Cooperative for remotely obtaining meter readings at a time or times of the month as determined at the Cooperative's sole discretion if so requested by the Cooperative.

### **Contracts**

An interconnection agreement between the Member and the Cooperative, as indicated in the Cooperative's DG Manual, shall be required in all cases

UPSHUR-RURAL ELECTRIC COOPERATIVE CORPORATION  
MEMBER POLICIES AND SCHEDULES

**REVISION HISTORY**

<u>VERSION</u>	<u>DESCRIPTION OF ACTION TAKEN</u>
18, December 2018 .....	Replaced the historic “Tariffs of Upshur Rural Electric Cooperative Corporation” with the “Member Policies and Schedules” addressing the same subject matter in a new form with significantly revised language and changes to certain charges and fees (“Rates”) of the Cooperative.
Day, Month Year .....	
Day, Month Year .....	
Day, Month Year .....	
Day, Month Year .....	