

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 III
DISTRIBUTED GENERATION INTERCONNECTION
AND PURCHASE POLICIES

Approved: 12/20/2022

3.1 GENERAL INFORMATION

Introduction

This “Distributed Generation Interconnection and Purchase Policy” (“DG Policy”) shall be considered part of Upshur-Rural Electric Cooperative Corporation’s (“Cooperative”) “Member Policies”. This DG Policy, together with other Member Policies and the “Rate Schedules/Riders” (“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.

This DG Policy is not a complete description or listing of all laws, ordinances, rules and regulations, nor is this DG Policy intended to be an installation or safety manual. The Board of Directors reserves the right to make changes to this DG Policy.

DG Facility Classification

Throughout this DG Policy, the term “DG Facility” shall mean either: (i) a generation facility or energy storage facility owned or utilized by a Member, or (ii) a generation facility that has obtained a “Qualifying Facility” designation in accordance with the Public Utility Regulatory Policies Act of 1978. A DG Facility shall include any generation and associated equipment, wiring, protective devices, or switches owned or leased by the owner of such DG Facility. Unless otherwise agreed in writing between the Cooperative and owner of the DG Facility and regardless of the actual ownership of the DG Facility, the DG Facility shall be considered Member Facilities under the Member Policies.

The “Classification” of a DG Facility shall be determined by the Cooperative depending on the specific DG Facility ownership and type. The Cooperative, at its discretion, may aggregate the total capacity of the Facilities the Member intends to connect for the purpose of determining Classification. In general, the Classifications and associated Classification criteria for a DG Facility shall be as follows:

Classification	Size (kW AC)	Membership Requirement	Qualifying Facility Designation Required
Class I	≤ 50	Yes	No
Class II	> 50 ≤ 100	Yes	No
Class III	> 100 ≤ 1,000	No	Yes
Class IV	> 1,000	No	Yes

3.2 APPLICABILITY

This DG Policy shall only apply to: (i) Members who (a) are receiving Electric Service from the Cooperative under one of the Cooperative’s rate schedules, and (b) intend to connect and operate the DG Facility in “parallel” with the Cooperative’s system for the purpose of serving load behind a single meter location, or (ii) DG Facilities that have obtained a Qualifying Facility designation. For the avoidance of doubt, this DG Policy is intended to cover, *inter alia*, Facilities up to 10 MVA. A DG Facility owner is not permitted to serve multiple meters, multiple consuming facilities or multiple Members with a single DG Facility or under a single DG Application.

A DG Facility connected in any way to the Cooperative’s system, regardless of whether the DG Facility owner intends to export power, shall be considered as operating in “parallel” with the Cooperative’s system. A DG Facility owner may operate a DG Facility in parallel with the Cooperative’s system as long as the DG Facility does not adversely impact the Cooperative’s system.

A Member receiving Electric Service under the terms and conditions of a special electric service agreement with the Cooperative may be required to revise its electric service agreement, including any special rate schedule with the Cooperative as a condition to connect and operate a DG Facility.

The Cooperative is under no obligation to interconnect with or purchase power from a DG Facility that does not satisfy the classification requirements. However, the Cooperative may choose to interconnect and purchase power from a DG Facility that does not satisfy the classification requirements.

A DG Facility that is not electrically connected to the Cooperative’s system in any way shall be considered a “stand-alone” or “isolated” DG Facility. A DG Facility owner may operate a DG Facility in stand-alone or isolated fashion as long as such DG Facility does not adversely affect the Cooperative’s system.

3.3 COMPLIANCE WITH LAWS AND REGULATIONS

The DG Facility shall be installed and operated subject to and in accordance with: (1) the terms and conditions set forth in the Cooperative's rules, policies, regulations, bylaws, rates and tariffs, as amended from time to time, which are incorporated herein by reference, and (2) in compliance with all applicable federal, state and local laws, regulations, zoning codes, building codes, safety rules, environmental restrictions, ordinances and regulations, including without limitation, the most recent IEEE Standard 1547 Guide for Distributed Generation Interconnection, applicable ANSI standards, including ANSI C84.1 Range A, guidelines and directives of regional transmission organizations and independent system operators, and in accordance with industry standard prudent engineering practices. All legal, technical, financial, and other requirements in the following sections of this DG Policy must be met prior to interconnection of the DG Facility to the Cooperative's system.

3.4 INTERCONNECTION REQUIREMENTS OF DG FACILITIES

Additional interconnection requirements will be set forth in the Distributed Generation Interconnection Agreement ("DG Interconnection Agreement") or other appropriate interconnection agreement between the DG Facility owner and the Cooperative regarding the interconnection of the DG Facility. Additional fees and costs associated with the DG Facility and interconnection process are set forth in the Cooperative's rate schedules and associated riders.

3.5 POWER EXPORTED TO COOPERATIVE

All purchases from Class I and II Facilities shall be made according to the rates, terms, and conditions set forth in the Cooperative's rate schedules and associated riders; provided, however, the Cooperative shall not be required to make any purchases that will cause the Cooperative to no longer be in compliance with any applicable laws, or contracts with its power supplier(s). In the event the DG Facility is a Class III or IV DG Facility, purchases shall be made in accordance with a negotiated Power Purchase Agreement between the DG Facility owner and the Cooperative (if a Class III DG Facility) or its power supplier (if a Class IV DG Facility).

3.6 NO LIABILITY FOR INABILITY TO PURCHASE POWER FROM A DG FACILITY

The Cooperative does not insure, guarantee, or warrant that it shall continuously import or purchase power from a DG Facility or that a Member will continuously receive all financial credits for all power produced by a DG Facility. The Cooperative shall not be liable for damages, costs, or expenses, including attorney fees or legal expenses, caused by the Cooperative's inability to import or purchase power from a DG Facility. The Cooperative's inability to import or purchase power from a DG Facility may include, but shall not be limited to, damage to the Cooperative's system or any other reasons beyond the control of the Cooperative.

3.7 NEW INTERCONNECTION SERVICE REQUEST

The DG Facility owner shall not interconnect or operate a DG Facility before: (1) submitting, prior to construction, an Application for Interconnection of a Distributed Generation Facility (“DG Application”); (2) the Cooperative reviews and analyzes the DG Facility owner’s plans for interconnection prior to commencement of construction; (3) paying all fees associated with the DG Application and review process as provided by the Cooperative, or its power supplier if applicable, and any other costs associated with the interconnection as may be required by the Cooperative, or its power supplier if applicable; (4) signing any agreements for the interconnection and/or operation of the DG Facility that may be required by the Cooperative, or its power supplier if applicable, prior to commencing construction; (5) all necessary system facilities and equipment have been installed for and paid by the DG Facility owner; and (6) receiving approval from the Cooperative to interconnect and operate the DG Facility.

If corrections or changes to the plans, specifications and other information are to be made by the DG Facility owner, an additional interconnection study may be conducted by the Cooperative. In addition, any changes to the site or project requiring new analysis by the Cooperative may require additional cost and a new DG Facility plan. The cost will be determined by the Cooperative and shall be paid by the DG Facility owner.

A completed DG Application, supporting documentation, and any fees or amounts due for the interconnection, should be delivered to the following address or as otherwise directed by a Cooperative employee.

Upshur-Rural Electric Cooperative Corporation
Attn: System Engineering Supervisor
1200 W. Tyler
Gilmer, TX 75644

The Cooperative is under no obligation to take any action on a DG Application until the DG Facility owner has paid the applicable DG Application fee established by the Cooperative or its power supplier based on the Classification of the DG Facility and any additional estimated engineering fees/costs for the DG Facility required by the Cooperative or its power supplier.

A separate DG Application fee and associated estimated engineering fees/costs must be submitted for each DG Facility.

3.8 INSURANCE AND LIABILITY

The requirement to obtain and maintain insurance for the DG Facility is dependent on the DG Facility’s classification as set forth below:

Classification	Insurance Requirement
Class I	Per Cooperative’s Rate Schedules/Riders
Class II	Per Cooperative’s Rate Schedules/Riders
Class III	Addressed in Power Purchase Agreement
Class IV	Addressed in the Power Purchase Agreement and as required by the Cooperative’s Power Supplier

Cooperative recommends obtaining liability insurance, which insures Member against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with Member’s DG Facility.

A DG Facility’s owner must provide proof of insurance as required by the Cooperative, or the Cooperative’s power supplier, prior to interconnection, annually, upon expiration of an insurance policy or as requested by the Cooperative. The amount of such coverage, the type, and the terms and conditions of such insurance coverage shall be as determined by the Cooperative and may be amended from time to time by the Cooperative, at the Cooperative’s sole discretion.

REGARDLESS OF ANY INSURANCE THAT MAY BE OBTAINED, MEMBER ASSUMES ALL LIABILITY AT A MEMBER’S LOCATION FOR MEMBER FACILITIES, INCLUDING A DG FACILITY IN ACCORDANCE WITH THE COOPERATIVE’S BYLAWS AND MEMBER POLICIES. MEMBER SPECIFICALLY AGREES TO INDEMNIFY AND HOLD THE COOPERATIVE HARMLESS FROM ALL CLAIMS RESULTING FROM MEMBER’S OPERATION OF A DG FACILITY AS SPECIFICALLY PROVIDED HEREIN AND AS PROVIDED ELSEWHERE IN THE COOPERATIVE’S GOVERNING DOCUMENTS.

3.9 AGREEMENTS

The DG Facility owner shall execute agreements based on the DG Facility’s classification:

Classification	Agreement
Class I	DG Interconnection Agreement
Class II	DG Interconnection Agreement
Class III	Interconnection Agreement as Determined by Cooperative and Power Purchase Agreement with Cooperative
Class IV	Interconnection Agreement as Determined by Cooperative and Power Purchase Agreement with Cooperative’s Power Supplier

The Cooperative may, at its sole discretion, require the DG Facility owner to execute additional contracts related to the interconnection and operation of the DG Facility prior to the time of interconnection.

3.10 REFUSAL TO INTERCONNECT OR DISCONNECTION OF DG FACILITY

The Cooperative may, at its sole discretion, prevent the interconnection or disconnect the interconnection of the DG Facility due to reasons such as safety concerns, reliability issues, power quality issues, breach of the interconnection agreement, failure to adhere to or a violation of any of the terms and conditions of this DG Policy, the Member Policies or Schedules, or any other lawful reason. Any such disconnection may be without prior notice to the DG Facility owner.

3.11 OWNERSHIP OF DG FACILITIES

The DG Facility owner shall own and be solely responsible for payment of all expenses relating to the installation, maintenance and operation of all facilities, including all power generating facilities, at and beyond the Point of Delivery. At its sole discretion, the Cooperative may require the DG Facility owner to install a meter base that will allow the Cooperative to install a Cooperative-owned meter to measure the output of the DG Facility.

3.12 NO ADVERSE IMPACTS TO COOPERATIVE SYSTEM

A DG Facility system shall be operated in a manner that does not adversely impact the Cooperative's system. A Member shall be responsible for all costs associated with repairing the Cooperative's electric facilities and equipment or associated with correcting any adverse conditions on the Cooperative's System resulting from a DG Facility utilized or associated with a Member.

3.13 SELF-PROTECTION OF DG FACILITY

The DG Facility owner will furnish, install, operate and maintain in good order and repair all equipment necessary for the safe operation of the DG Facility operated in parallel with the Cooperative system. The DG Facility owner's equipment will have capability to both establish and maintain synchronism with the Cooperative system and to automatically disconnect and isolate the DG Facility from the Cooperative system.

The DG Facility must be designed, installed and maintained to be self-protected from normal and abnormal conditions on the Cooperative system including, but not limited to, overvoltage, undervoltage, overcurrent, frequency deviation, and faults. Self-protection will be compatible with all applicable Cooperative protection arrangements and operating policies. Additional protective devices and/or functions may be required by the Cooperative when, in the judgment of the Cooperative, the DG Facility installation and/or the Cooperative system characteristics so warrant.

3.14 SAFETY DISCONNECT

The DG Facility owner will be required by the Cooperative to install a visible load break disconnect switch at the DG Facility owner's expense and to the Cooperative's specifications at its sole discretion. The switch will be located so as to be readily accessible to Cooperative personnel in a location acceptable to the Cooperative. The switch shall be a type that can be secured in an open position by a lock owned by the Cooperative. If the Cooperative has locked the disconnect switch open, the DG Facility owner shall not operate or close the disconnect switch. The Cooperative shall have the right to lock the switch open when, in the judgment of the Cooperative:

1. it is necessary to maintain safe electrical operating and/or maintenance conditions;
2. the DG Facility adversely affects the Cooperative system; or
3. there is a system emergency or other abnormal operating conditions warranting disconnection.

The Cooperative reserves the right to operate the disconnect switch for the protection of the Cooperative system even if it affects the DG Facility. In the event the Cooperative opens and/or closes the disconnect switch:

1. The Cooperative shall not be responsible for energization or restoration of parallel operation of the DG Facility.
2. The Cooperative will make reasonable efforts to notify the DG Facility owner.

Signage shall be required by the Cooperative at the DG Facility owner's expense and located at the disconnect indicating the purpose of the switch along with contact names and numbers of both the DG Facility owner and the Cooperative.

3.15 ACCESS

Persons authorized by the Cooperative will have the right to enter the DG Facility owner's property for purposes of testing, operating the disconnect switch (if required), reading or testing the metering equipment, maintaining right-of-way and/or other Cooperative system maintenance.,. Such entry onto the DG Facility owner's property may be without notice.

If the DG Facility owner erects or maintains locked gates or other barriers, the DG Facility owner will furnish the Cooperative with convenient means to circumvent the barrier for full access for the above-mentioned reasons. If at any time, the Cooperative shall be barred from accessing the DG Facility and/or related equipment and requires, at the Cooperative's sole discretion, immediate access to the DG Facility or related equipment, the Cooperative shall have the right to remove any such barrier by any means necessary.

3.16 METERING / MONITORING

The Cooperative shall specify, install, and own all metering equipment, including multiple meters if required, and the DG Facility owner shall be obligated to pay all costs related to installation and operation of such metering equipment. Decisions regarding metering equipment, including specifications and requirements, shall be at the Cooperative's sole discretion.

The Cooperative may, at its sole discretion, require the DG Facility owner to pay the Cooperative in advance for any or all metering and monitoring equipment and installation expenses. Meter testing shall follow the Cooperative's standard policy on meter testing and accuracy.

3.17 NOTICE OF CHANGE TO DG FACILITY

The DG Facility owner will notify the Cooperative in writing no less than thirty (30) days in advance of making any change affecting the characteristics, performance, or protection of the DG Facility. Any change in the operating characteristics of the DG Facility including, but not limited to, size of generator, total DG Facility capacity, nature of DG Facility, fuel source, site change, hours of operation, or type used, may require a new application process, including, but not limited to, submission of a new DG Application, submission of the DG Application fee, and a DG Facility plan review by the Cooperative.

3.18 TESTING OF DG FACILITY

The Cooperative shall have the right to test all aspects of the DG Facility's protection systems up to and including tripping of the generator and interconnection point at start-up and thereafter as required. Testing will verify all protective set points and relay/breaker trip timing and shall include procedures to functionally test all protective elements of the system.

UPSHUR-RURAL ELECTRIC COOPERATIVE CORPORATION
MEMBER POLICIES AND SCHEDULES

SECTION “S”
RATE SCHEDULES/RIDERS

Last Amended: 10/24/2023

Section S - Table of Contents

Schedule/Rider	Description	Section
	General Provisions	S.1
F	Fees and Charges	S.2
LX	Line Ext./Construction Charges and Allowances	S.3
A	Residential Service	S.4
B	Small Commercial and General Service	S.5
C	Commercial and Industrial Power Service	S.6
LPI	Large Power Service - Industrial	S.7
OL	Outdoor Lighting	S.8
MSL	Municipal Street Lighting	S.9
PPA	Prepaid Residential Service	S.10
PPB	Prepaid Small Commercial and General Service	S.11
REC	Renewable Energy Credit Rider	S.12
PCRF	Power Cost Recovery Factor Rider	S.13
G	Generation Rider	S.14

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:

$$FTA = TAB \times GRTR$$

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
(2 pages)

Fees and Deposits	Amount
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 rd 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%
Convenience Fee - <i>Approved/Effective 10-18-22/01-01-23</i> Billed to an account when a Member utilizes a credit card, debit card or electronic check to make payment on a bill.	\$2.50
Minimum Deposit - <i>Approved/Effective 10-18-22/01-01-23</i> The minimum amount required to establish a Credit Account with the Cooperative if a deposit is required.	\$300.00

<u>Distributed Generation Application Fees/Costs</u>	
Class I (≤ 50 kW) DG Facility <i>Approved/Effective 12-20-22 / 01-01-23</i>	\$25.00
Class II ($> 50 \leq 100$ kW) DG Facility <i>Approved/Effective 12-20-22 / 01-01-23</i>	\$100.00 + All Engineering, and Cooperative System Upgrade Costs
Class III ($> 100 \leq 1,000$ kW) DG Facility <i>Approved/Effective 12-20-22 / 01-01-23</i>	\$150.00 + All Engineering, Cooperative System Upgrade, and Legal Costs
Class IV ($> 1,000$ kW) DG Facility <i>Approved/Effective 12-20-22 / 01-01-23</i>	\$250.00 + All Engineering, Cooperative System Upgrade, and Legal Costs

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

Amended/Effective 10-24-2023 / 12-01-2023

(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

Base Charge:	\$23.50/meter/month
Energy Charge, per kWh:	\$0.098889

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

Amended/Effective 10-24-2023 / 12-01-2023

(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

Base Charge:	\$23.50/meter/month
Demand Charge, per Billing kW:	\$0.35
Energy Charge, per kWh:	\$0.096964

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 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

Amended/Effective 10-24-2023 / 12-01-2023

(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:	\$70.00/meter/month
Demand Charge, per Billing kW:	\$6.50
Energy Charge, per kWh:	\$0.072722

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

Amended/Effective 10-24-2023 / 12-01-2023

(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:	\$150.00/meter/month
Demand Charge, per Billing kW	\$14.75
Energy Charge, per kWh	\$0.047937

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

Amended/Effective 03-15-2022 / 06-01-2022

(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	\$7.61 per month plus PCRFB charge for 39 kWh
150 Watt HPS Underground Service	\$7.68 per month plus PCRFB charge for 39 kWh
175 Watt MV	\$8.90 per month plus PCRFB charge for 68 kWh
250 Watt HPS(w/Roadway Arm)	\$17.46 per month plus PCRFB charge for 97 kWh
400 Watt HPS(Flood)	\$23.09 per month plus PCRFB charge for 155 kWh
1,000 Watt HPS(Flood)	\$45.81 per month plus PCRFB charge for 389 kWh

Monthly Charges (per light) for LED Lamps

LED Outdoor Light 50 Watt (Equivalent to 110 Watt HPS and 175 MV)	\$7.61 per month plus PCRFB charge for 15 kWh
LED Flood Light 130 Watt (Equivalent to 250 and 400 Watt HPS)	\$23.09 per month plus PCRFB charge for 39 kWh
LED Flood Light 421 Watt (Equivalent to 1,000 Watt HPS)	\$45.81 per month plus PCRFB charge for 126 kWh
LED Decorative Light 100 Watt (Equivalent to 150 Watt HPS Underground)	\$7.68 per month plus PCRFB charge for 30 kWh

Other Monthly Charges:

Transformer Charge (Light Only)	\$21.74 per month
---------------------------------	-------------------

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

Decorative Poles Underground Service

Price is subject to the cost of material plus any aid to construction to install and connect service. Price and size may vary based on availability. May include fiberglass, steel, or concrete poles.

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

Amended/Effective 03-15-2022 / 06-01-2022

(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	\$6.96 per month plus PCRf charge for 68 kWh
400 Watt MV	\$13.96 per month plus PCRf charge for 155 kWh

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

100 Watt HPS	\$5.63 per month plus PCRf charge for 39 kWh
250 Watt HPS	\$10.36 per month plus PCRf charge for 97 kWh
400 Watt HPS	\$15.03 per month plus PCRf charge for 155 kWh

Monthly Charges (per light) for LED Lamps

LED Municipal Outdoor Light 50 Watt (Equivalent to 100 Watt HPS and 175 Watt MV)	\$5.63 per month plus PCRf charge for 15 kWh
LED Municipal Street Light 101 Watt (Equivalent to 250 Watt HPS)	\$10.36 per month plus PCRf charge for 30 kWh
LED Municipal Flood Light 130 Watt (Equivalent to 400 Watt HPS and 400 Watt MV)	\$15.03 per month plus PCRf charge for 39 kWh

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

Amended/Effective 10-24-2023 / 12-01-2023

(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.....	\$35.00
Re-establishment of Prepaid Account.....	\$35.00

Monthly Rate

Base Charge:	\$23.50/meter/month
Energy Charge, per kWh:	\$0.098889

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

Amended/Effective 10-24-2023 / 12-01-2023

(3 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.....	\$35.00
Re-establishment of Prepaid Account.....	\$35.00

Monthly Rate

Base Charge:	\$23.50/meter/month
Demand Charge, per Billing kW:	\$0.35
Energy Charge, per kWh:	\$0.096964

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 dollars 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:

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

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

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

Approved: 12/20/2022 Effective: 01/01/2023

(2 pages)

Application

Applicable to Member-owned generation facility or energy storage facility (each a “DG Facility”) with a capacity of no more than 100 kW, and provided the Member: (i) is receiving Electric Service from the Cooperative under one of the Cooperative’s Schedules except for Schedules PPA and PPB; and (ii) intends to connect and operate the Facility in “parallel” with the Cooperative’s system for the purpose of serving load behind a single meter location. Such DG Facility shall be connected in parallel operation to the Cooperative’s system in accordance with the Cooperative’s Member Policies, including the Cooperative’s “Distributed Generation Interconnection and Purchase Policy”, “DG Policy”.

This Rider G is not applicable to temporary, shared, or resale Service. This Rider G is applicable to Electric Service supplied at one point of delivery.

Monthly Charges

Facilities > 50 kW and ≤ 100 kW in Size (Class II):

DG Charge:\$5.00 per month

Purchases from a Member DG Facility

Facilities ≤ 50 kW in Size (Class I):

Members shall be provided a bill credit for any energy delivered to the Cooperative from the DG Facility at the Cooperative’s rate for the Electric Service to the Member. Notwithstanding the foregoing, any bill credit will only be applied against the applicable Schedule’s Energy Charge for energy delivered to the Member and will not be applied against any other charges in the Schedules or the DG Charge. Additionally, any bill credit will not cause the Member’s bill to result in a credit balance for energy consumed (i.e. a Member’s bill will not receive a credit for energy delivered to the Cooperative in excess of energy consumed on a monthly basis).

Facilities > 50 kW and ≤ 100 kW in Size (Class II):

Members shall be provided a bill credit for any energy delivered to the Cooperative from the DG Facility at the Cooperative’s power supplier’s avoided cost. Notwithstanding the foregoing, any bill credit will only be applied against the applicable Schedule’s Energy Charge for energy delivered to the Member and will not be applied against any other charges in the Schedules or the DG Charge.

Yearly True-Up for Class II Facility

Members with a credit balance in excess of \$10.00 for energy delivered to the Cooperative by a Class II Facility may request a check from the Cooperative for the credit balance. Notwithstanding the foregoing, the Cooperative at its discretion may choose to apply any credit balance for energy delivered to the Cooperative to any amounts owed the Cooperative by the Member or applied towards any deposit requirements that the Cooperative may require of Member.

Insurance Requirements and Liability

Facilities \leq 50 kW in Size (Class I):

Cooperative recommends obtaining liability insurance, which insures Member against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with Member's DG Facility.

REGARDLESS OF ANY INSURANCE THAT MAY BE OBTAINED, MEMBER ASSUMES ALL LIABILITY AT A MEMBER'S LOCATION FOR MEMBER FACILITIES, INCLUDING A DG FACILITY IN ACCORDANCE WITH THE COOPERATIVE'S BYLAWS AND MEMBER POLICIES. MEMBER SPECIFICALLY AGREES TO INDEMNIFY AND HOLD THE COOPERATIVE HARMLESS FROM ALL CLAIMS RESULTING FROM MEMBER'S OPERATION OF A DG FACILITY AS SPECIFICALLY PROVIDED IN THE DG POLICY AND AS PROVIDED THROUGHOUT THE COOPERATIVE'S GOVERNING DOCUMENTS.

Facilities $>$ 50 kW and \leq 100 kW in Size (Class II):

Cooperative recommends obtaining liability insurance, which insures Member against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with Member's DG Facility.

REGARDLESS OF ANY INSURANCE THAT MAY BE OBTAINED, MEMBER ASSUMES ALL LIABILITY AT A MEMBER'S LOCATION FOR MEMBER FACILITIES, INCLUDING A DG FACILITY IN ACCORDANCE WITH THE COOPERATIVE'S BYLAWS AND MEMBER POLICIES. MEMBER SPECIFICALLY AGREES TO INDEMNIFY AND HOLD THE COOPERATIVE HARMLESS FROM ALL CLAIMS RESULTING FROM MEMBER'S OPERATION OF A DG FACILITY AS SPECIFICALLY PROVIDED IN THE DG POLICY AND AS PROVIDED THROUGHOUT THE COOPERATIVE'S GOVERNING DOCUMENTS.

Other Charges

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 a Trip Fee.

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.
16, July 2019.....	Changed Pricing for Rider REC from 3 cents per REC to 3 dollars per REC
18, January 2022	Changed Schedule OL, Section S.8, regarding charges for decorative poles.
15, March 2022	Changes increasing certain charges found in Schedule A, Schedule B, Schedule C, Schedule LPI, Schedule OL, Schedule MSL, Schedule PPA, and Schedule PPB.
18, October 2022.....	Minimum Deposit in Schedule F increased from \$230.00 to \$300.00. Required Balances in Schedules PPA and PPB increased from \$30.00 to \$35.00. Added new “Convenience Fee” of \$2.50 in Schedule F.
20, December 2022	Adoption of new “Distributed Generation Interconnection and Purchase Policies” as Section III to the Member Policies (“DG Policy”). Corresponding changes regarding DG Policy charges/credits in the Fee Schedule and Rider G. Minor change to Services Policies necessary because of DG Policy adoption.
21, February 2023	Changed the deposit balance requirement in Section 1.5 from, “...two times the <u>highest bill</u> for Electric Service at that location within the past twelve (12) months.” to “...two times the <u>average monthly bill</u> for Electric Service at that location within the past twelve (12) months.” for an additional deposit.
24, October 2023.....	Changed the “Energy Charge, per kWh” in Schedule A, Schedule B, Schedule C, Schedule LPI, Schedule PPA, and Schedule PPB.
Day, Month Year	