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# CONSOLIDATED COOPERATIVE, INC. AGREEMENT FOR ELECTRIC SERVICE

This Agreement made as of the 4<sup>th</sup> day of November, 2019, between Consolidated Cooperative, Inc. (hereinafter called the "Cooperative") and Big Walnut Local Schools, (hereinafter called "BWLS") with offices located at 110 Tippett Ct. Sunbury, OH 43074.

#### WITNESSETH:

WHEREAS, the Cooperative is an electric company organized under the laws of the State of Ohio engaged in the business of selling electric power and energy with its principal place of business in Delaware and Morrow Counties, Ohio; and

WHEREAS, BWLS owns a new elementary and high school complex, being herein referred to as the "School"; on land located 701, 707, 709, 713, 719, 725 NORTH MILLER DRIVE Sunbury, OH 43074, within the city limits of the Village of Sunbury, Delaware County, Ohio, and

WHEREAS, BWLS is a corporation organized under the laws of the State of Ohio, doing business in the State of Ohio; and

WHEREAS, the Cooperative desires to sell and BWLS desires to purchase electric power and energy upon the terms and conditions of the Cooperative and hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. Subject to the terms and conditions of this Agreement, the Cooperative shall sell and deliver to BWLS, and BWLS shall purchase, electric power and energy from the Cooperative. BWLS may "self-generate" in accordance with applicable local, state, federal codes and laws and the Cooperative's policies and standards.

- (a) For the purposes of this Agreement, the system capacity shall be defined as the highest 15-minute average demand recorded for the previous 12-month billing period.
- 2. Service hereunder shall be 277/480 volt, secondary metered, three-phase service.
- 3. (a) BWLS shall pay the Cooperative for service hereunder at the rate and upon the terms and conditions set forth in the Cooperative's General Service with Large Power "LP" Rate Schedule, which is attached hereto as Exhibit A. It is further agreed that the Cooperative may amend Exhibit A hereto by increasing or decreasing the rates specified therein to reflect any increases or decreases in the Cooperative's cost of service to the class of consumers to which BWLS belongs; however, the Cooperative must provide written notice to BWLS at least ninety (90) days before amending Exhibit A. If the Cooperative intends to increase BWLS' rates, the written notice shall explain in detail the basis for increasing BWLS' rates and explain how the Cooperative calculated the proposed increase in rates. Increases in rates shall be made applicable to all consumers purchasing electric power and energy under Exhibit A or any superseding rate schedule unless the increases in rates can be assigned directly to the customers causing increases in the Cooperative's cost of service. All parties agree and understand that included in the applicable rate schedule is a component related to wholesale power and energy supply costs (generation and transmission), which fluctuates on a monthly basis and shall be passed through directly to the customer.
- (b) The initial billing period shall be five (5) years commencing when the Cooperative begins supplying permanent electric power and energy to the School pursuant to this Agreement. "Permanent electric power and energy" means the supply of electric power and energy needed to serve the load of the School during normal operations after construction of the School is complete. "Permanent electric power and energy" does not mean the electric power and energy needed during construction of the School.
- (c) KW charges as set forth in the applicable rate schedule shall apply. Payment for the service provided herein shall be made at the offices of the Cooperative located in Delaware/Morrow Counties, Ohio, or at such other place as the Cooperative shall hereafter designate in writing. Such payments shall be due in accordance with the monthly statement rendered. If BWLS disputes any portion of its monthly statement, it shall notify the Cooperative in writing within ten (10) days of receipt of the statement. After notifying the Cooperative in writing of the dispute, BWLS shall have the right to withhold the contested portion of its monthly statement until the billing dispute is resolved, and BWLS' account shall not be considered past due because of BWLS' withholding of the contested portion of the monthly statement. The Cooperative may not discontinue service due to BWLS' withholding of the disputed portion of the monthly statement if BWLS disputes a monthly statement in accordance with the paragraph.

- 4. If the account becomes thirty (30) days past due, the Cooperative may discontinue electric service for nonpayment. However, a delinquent notice shall be mailed via U.S. postal mail and via electronic mail at least fourteen (14) days prior to the date of disconnection. Such discontinuation of service shall not relieve BWLS of any of its obligations under this Agreement. If BWLS disputes a portion of its monthly statement in accordance with Paragraph 3(c) of this Agreement, it shall be obligated to make timely payments on only the undisputed portions of this statement.
- 5. BWLS shall become a member of the Cooperative and be bound by such rules and regulations as may from time to time be adopted by the Cooperative, including without limitation the Cooperative's Terms and Conditions for Supplying Electric Service, which are available upon request.
- 6. (a) BWLS shall not use the electric power and energy without the prior written permission of the Cooperative. Execution of this Agreement is evidence of prior written permission of the Cooperative.
- (b) BWLS shall not sell or transfer to others the electric power and energy purchased hereunder without the prior written permission of the Cooperative.
- 7. (a) The Cooperative will use reasonable diligence in furnishing a regular and uninterrupted supply of electric power and energy but does not guarantee uninterrupted or disturbance-free service. The Cooperative shall not be liable for damages or other losses in case such supply is interrupted, curtailed, reduced, fluctuates, becomes irregular, or fails, or the commencement of service to BWLS is delayed, by reason of an act of God, the public enemy, accidents, labor dispute, orders or acts of civil or military authority, governmental action, loss of power supply, breakdowns or damage to the machinery, transmission lines, distribution lines or other facilities of the Cooperative or others, extraordinary repairs or maintenance, or any other cause beyond the Cooperative's control; provided, however, that: (1) the Cooperative shall be liable for personal injury, wrongful death, property damage or other losses caused by or due to the negligence, willful and wanton misconduct, or intentional misconduct of the Cooperative; and (2) the Cooperative shall be liable for consequential damages of any nature whatsoever in case such supply of power and energy should be interrupted. curtailed, reduced, fluctuates, becomes irregular, or fails, or the commencement of service to BWLS is delayed due to the negligence, willful and wanton misconduct, or intentional misconduct of the Cooperative. The failure of BWLS to receive electric power and energy because of any of the aforesaid conditions shall not relieve BWLS of its obligations to make payments to the Cooperative for power and energy consumed or due per the terms of the rate as provided herein.
- (b) The point at which electric service is delivered by the Cooperative to BWLS, to be known as the "delivery point," shall be the load-side bushing well inserts of the Cooperative's pad-mounted transformer. The Cooperative shall not be liable for any

loss, injury, or damage resulting from BWLS use of BWLS equipment or occasioned by the electric power and energy furnished by the Cooperative beyond the delivery point.

- (c) BWLS shall provide and maintain suitable protective devices on its equipment to prevent any loss, injury, or damage that might result from single-phasing conditions or any other fluctuation or irregularity in the supply of electric power and energy. The Cooperative shall not be liable for any loss, injury, or damage resulting from a single-phasing condition or any other fluctuation or irregularity in the supply of electric power and energy which could have been prevented by the use of such protective devices.
- (d) The Cooperative will provide and maintain the necessary line or service connections, transformers, meters, and other apparatus which may be required for the provision of electric service hereunder and for the proper measurement of and protection to its service. All such apparatus shall be owned, operated, and maintained by the Cooperative.
- (e) BWLS may not operate its electrical system in such a manner that it creates disturbances or fluctuations on the Cooperative's system to the point that the Cooperative's other members or customers are adversely affected, including but not limited to the effects of harmonics, voltage sags, voltage swells or interruptions. The Cooperative reserves the right to discontinue service with thirty days (30) prior notice appropriate for the type of disturbance or fluctuation and its effect on other members or customers.
- 8. (a) In the event of loss or injury to the property of the Cooperative through misuse by, or the negligence of, BWLS or the employees, agents, or subcontractors of the same, the cost of the necessary repairs or replacement thereof shall be paid to the Cooperative by the party that misused the Cooperative's property or was responsible for the negligent acts related thereto; provided however, that the misuse or negligence by one party shall under no circumstance be imputed to the other party.
- (b) BWLS agrees to be held responsible for any action of their employees, agents, or subcontractors tampering with, interfering with, or breaking, meter seals or other equipment of the Cooperative installed on BWLS' School. BWLS hereby agrees that no one except the employees or duly authorized representatives of the Cooperative shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of the Cooperative. BWLS shall provide the Cooperative reasonable access at all times to the Cooperative's meter and other facilities located on or near the BWLS site. The Cooperative agrees to provide BWLS prior notice of its intention to access the BWLS' property when the School is in session.
- 9. (a) Metering equipment used in determining the demand and amount of electric energy supplied hereunder shall be tested and calibrated, if and when required, by the Cooperative. If any metering equipment shall be found inaccurate, it shall be restored to

the extent possible to a one hundred percent (100%) accurate condition or new metering equipment to the extent necessary shall be substituted so that, as far as possible, one hundred percent (100%) accuracy shall always be maintained. BWLS shall have the right to request that a special meter test be made at any time. In the event a test made at BWLS request discloses that the meter tested is registering correctly or within two percent (2%) of one hundred percent (100%) accuracy at full load, BWLS shall bear the expense of such meter test.

- (b) The result of all such tests and calibrations shall be open to examination by BWLS and a report of every requested test shall be furnished to BWLS Any meter tested and found to be not more than two percent (2%) above or below one hundred percent (100%) accuracy at full load shall be considered to be accurate insofar as correction of billing is concerned. If, as a result of any test, any meter is found to register in excess of two percent (2%) either above or below one hundred percent (100%) accuracy at full load, then the readings of such meter previously taken for billing purposes shall be corrected according to the percentage of inaccuracy so found. If the date when the error in registration began can be determined, such date shall be the starting point for determination of the amount of the adjustment. If the date when the error in registration began cannot be determined, it shall be assumed that the error has existed for a period of the lesser of the following three options: 1) One-half the time since the meter was installed. 2) One-half the time since the meter was last tested. 3) Four years. The Cooperative will bear the cost of the meter test if any meter is found to register in excess of two percent (2%) either above or below one hundred percent (100%) accuracy at full load.
- (c) For any period that metering equipment is found to have failed wholly or in part to register and for which no alternate metering is available, it shall be assumed that the demand established, or electric energy delivered, as the case may be, during said period is the same as that for a period of like operation during which such meter was in service and operating.
- (d) The Cooperative shall notify BWLS three (3) days in advance of the time of any meter test so that a representative of BWLS may be present. The Cooperative shall notify BWLS via email that a meter test will occur. BWLS shall be contacted at the following email address: 110 Tippett Court, Sunbury OH 43074 [ 10. BWLS shall provide, or cause to be provided, to the Cooperative at no expense to the Cooperative such nonexclusive easements, rights of way, and other rights to, under, across and through the BWLS property as may be reasonably necessary for the establishment, construction, extension, inspection, maintenance and operation of the electric lines and facilities of the Cooperative.
- 11. Duly authorized representatives of the Cooperative shall be permitted to enter on to the BWLS property at all reasonable times to carry out the provisions hereof.

- 12. This Agreement shall become effective as of the date first above written and shall remain in effect until five (5) years following the start of the initial billing period. Thereafter, this agreement shall be renewed automatically for successive terms of one (1) year each until terminated by either party giving the other notice in writing of its intention to terminate not less than three (3) months prior to the expiration of the initial term or any succeeding term.
- 13. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives, and assigns; provided, however, that this Agreement shall not be assigned by BWLS without prior written notice to the Cooperative. BWLS may assign this Agreement to a purchaser of the Premises without the consent of the Cooperative, provided written notice is furnished to the Cooperative.
- 14. This Agreement shall be governed in all respects by the laws of the State of Ohio.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Consolidated Cooperative, Inc. "COOPERATIVE" ATTEST:		
Phil Caskey, President	Date	
BWLS, Inc. "BWLS" ATTEST:		
By: Name, Title	Date	_

Exhibit A



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# Exhibit A SCHEDULE "LP"

#### **LARGE POWER RATE**

#### **AVAILABILITY**

The Large Power (LP) Rate is available for year-round service to all commercial and/or industrial members requiring greater than 225 kVA of installed or allocated transformer capacity or with a monthly billing demand greater than 225 kW for more than 3 months or 300 kW in a single per rolling 12-month period.

This service is available where the Cooperative's existing system transmission and distribution facilities are adequate without extensions, expansion or enlargement, to supply the member's initial and future requirements as determined by the Cooperative. In the event that an extension, expansion or enlargement of the Cooperative's system facilities is required, the Cooperative, in order to justify the investment and operational costs involved, at its option may require a contribution in aid of construction, a monthly facilities charge, a minimum monthly billing demand, or a larger monthly service charge, depending upon the conditions involved.

#### **DELIVERY VOLTAGE**

Only three-phase service is available at the voltage level determined by Cooperative designated below 2,300 volts.

#### **RATE**

Per month, per account:

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#### **LATE PAYMENT CHARGE**

The net amount as billed is due and payable in full on or before fifteen (15 calendar days after the billing date. On each amount not so paid in full, an additional charge of five percent (5%) will be due on the unpaid portion of the current bill. The minimum late payment charge shall be \$2.00.

In the event a customer's bills have been paid by the due date for at least the last 12 consecutive months, the Cooperative will then waive the next late payment charge.

#### **TERM**

Annual contract with monthly terms.

Contracts under this Schedule will be made for not less than one year with automatic annual renewals. Either party must give 90-day written notice to terminate contract at end of contract period.

#### **GENERAL CONDITIONS**

Cooperative's Terms and Conditions of Service together with supplementary Management Policies shall apply to the installation, use, and billing of electric service.

#### **SYSTEM CAPACITY**

System capacity is based upon either the allocated transformer size or the amount of system capacity reserved for the customer's electrical needs.

#### **POWER FACTOR DETERMINATION**

Shall be determined by ratcheted RKWH meter, by means of integrated or thermal RKW and 15 minute KW Demand Metering equipment, by other standard equipment, or by periodic test made with standard metering equipment.

#### **SPECIAL CONDITIONS**

For highly fluctuating loads, the Cooperative reserves the right to average customer's total load over a two-minute period, or by increasing the measured demand by 50 percent.

Should the capacity requirement increase or decrease at time of contract renewal, the Cooperative reserves the right to deliver service at a different voltage level.

The Cooperative reserves the right to require customers to install primary transformation.





## Terms and Conditions of Service Effective 08/28/2012

#### 1. General

The Cooperative's Terms and Conditions of Service covering the supply of electric service to its Consumers and/or Members are hereby adopted by the Board of Trustees in conformance to the Code of Regulations and Articles of Incorporation of the Cooperative.

As hereinafter used, "Member" shall be construed to be any Consumer, Member, or Members using Cooperative's electric service and all of the following Terms and Conditions of Service are applicable to all Members of Cooperative regardless of membership status.

It shall be the responsibility of management to implement these Terms and Conditions of Service and where "Cooperative" is hereafter used it shall also be construed to mean the management of Cooperative.

The management may supplement these Terms and Conditions of Service with such supplementary administrative rules, forms and/or specifications as may be necessary to properly enforce and carry out the intent of these Terms and Conditions of Service and to administer and properly apply Cooperative's electric rate schedules.

If a conflict occurs between any provision(s) set forth in these Terms and Conditions of Service and state or federal governmental regulatory authority, or laws of this state, the latter shall take precedence.

#### 2. Applicability, General Provisions and Definitions

These Terms and Conditions of Service, together with the provisions of the applicable rate schedule, are part of every service contract entered into by the Cooperative.

- A. Point of service: may be referred to as point of delivery or point of contact. The Cooperative will extend its facilities to the point of attachment designated by the Cooperative, typically the load side of the main disconnect in the
  - Cooperative-owned meter base. The attachment may be owned by the Cooperative at its option and is considered the point of service. Metering may or may not be located at the point of service. Meter location will be determined by the Cooperative.
- B. Service voltage: the nominal service voltage is single-phase, 60 hertz, 120/240 volts, three wire. At Cooperative's option, other voltages and/or three-phase service may be made available as specified in Section 6. All voltages are nominal, subject to standard variations.
- C. Overhead service: all service will normally be supplied by means of overhead service facilities.
- D. Underground service: at Cooperative's option, underground facilities may be furnished in conformance to Cooperative's standards and charges for such service.
- E. Special charges: reconnection, disconnection and other special services shall be subject to the Schedule of Charges approved by the Board of Trustees.
- F. Subdivision definition: Two or more contiguous lots or tracts of land owned by the same owner or a tract of land owned by a developer that has been, will be, or is proposed to be recorded and approved by the governing political body (having jurisdiction over such matters) as a residential or commercial subdivision. See Section 26 for applicable terms and conditions of service.
- G. Permanent service extensions: see Section 15.
- H. Operation Round Up\*: a process whereby the Member's monthly bill is automatically rounded up to the next highest dollar, with the funds going to a charitable foundation called The People Fund. I. Other requirements: refer to management policies.

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#### 3. Application for Service

Applications for service shall be in writing on Cooperative's standard form and accompanied by all applicable fees and/or deposits as specified hereafter. When accepted by the Cooperative, the application shall constitute a binding contract between the applicant and Cooperative in conformance to these *Terms and Conditions of Service*, and the applicable rate schedule.

Right-of-Way: before electric service is established, any necessary right-of-way easement must be executed by the property owner on the Cooperative's standard right-of-way form. If the applicant for electric service is not the owner of the property to be supplied with electric service, it will be the responsibility of the applicant to assist in obtaining the necessary right-of-way, not only for the property to be served with electricity, but also all other properties necessary to furnish said electric service.

#### 4. Rate Classification and Application

- A. Residential classification: this classification applies to all uses usually considered in the public utility industry as strictly residential, domestic or home (with possible farm use) in character and where not more than one single-family dwelling unit is served through one meter except as listed in item B below. The residential classification is only applicable for 120/240 volts, single-phase service.
  - All nonresidential use and/or three-phase electric service shall be classified as general service or large power and shall be billed accordingly.
- B. Multiple dwelling units: where service is furnished to not more than three dwelling units, apartments, mobile homes and/or trailers, such service shall be billed on the residential rate with the rate blocks, minimum and service charges to be multiplied by the number of dwelling units, apartments, mobile homes and/or trailers served through one meter.
  - a. Where four or more dwelling units, apartments, mobile homes and/or trailers are served through one meter, such service shall be billed under the general service rate.
  - b. In the event that service to a multiple dwelling unit is disconnected or a change in ownership or billing name is made, Cooperative reserves the right to require at that time that each dwelling unit be separately metered before service is reestablished.
  - c. The owner of an apartment house or a single—family house which is converted or constructed so as to contain separate and individual living quarters or dwelling units for more than one family shall, upon request of Cooperative, install at owner's expense separate wiring so that each dwelling unit can be metered and billed separately. Where such separate wiring has been installed in conformance to Cooperative's specifications, the dwelling unit shall be billed under the residential schedule. Cooperative reserves the right to require all future multiple dwelling units to be separately metered and billed.
- C. Trailers and recreational vehicles: service will be considered nonpermanent unless elements of permanency exist, including but not limited to approved sanitary and water facilities.
- D. Combined residential and nonresidential use: where the premises are used and occupied by a Member as a nonresidential or business establishment and also as a residence, Cooperative reserves the right to bill all service supplied under the applicable nonresidential or general service schedule, or at the Member's option, the wiring may be separated (subject to Cooperative's approval) and each class of service separately metered and billed accordingly.
- E. General service use: service in rural areas shall be considered as nonresidential or general service in character where such service is not incidental to general farming operations as defined in Cooperative's residential schedule and/or where such service is used for the preparation or processing of food or other products to the extent that same are substantially in a form that can be used or can be readily adopted for use by, or for sale to, the ultimate Member.
  - a. In addition, in order to avoid discrimination, all service supplied in rural areas for activities that are sometimes carried on in municipalities, and where same would be classified and billed as nonresidential service, shall also be classified the same in rural areas.
- F. Three-phase service is applicable on 12-month basis: where three-phase service is furnished, the applicable minimum charge shall be effective on a 12-month year-round basis and seasonal or other interim disconnects will not avoid said minimum charge except as may be specified in the rate schedule.

- G. The large power classification: this classification is applicable to any Member whose requirements comply with the terms and conditions set forth in the applicable large power rate schedule. A written contract may be required.
- H. Other classifications: such as security lighting and qualifying cogeneration are covered under separate rate schedules and shall be billed accordingly.
- I. Certain rates are subject to the Purchased Power Adjustment clause and applicable taxes.

#### 5. Service and Service Conditions

- A. The Cooperative will specify the location of the Cooperative's point of service and metering equipment.
  - a. Normally, the point of service shall be the load-side lugs of the main disconnect(s) in the Cooperative's meter-base/disconnect combination socket; however, the Cooperative may, at its sole discretion, specify a different point of service where the metering equipment is other than the meter-base/disconnect combination socket.
- B. Service will not be established until all necessary permits have been obtained by the Member, all necessary right-of- way easements have been granted to the Cooperative, all required contracts for service have been signed by the Member, and not until Member's wiring installation has been inspected and approved by the governmental authority or board having jurisdiction over it. If no governmental authority or board has jurisdiction, the entire wiring installation
  - shall be installed in accordance with the current edition of the National Electrical Code and the specifications and regulations of the Cooperative.
    - a. The Cooperative does not inspect the Member's wiring or the use of electric appliances and/or equipment, and in no event shall the Cooperative be responsible therefore.
- C. Outdoor socket mounted meters will normally be used by Cooperative whenever practical or Cooperative may elect to furnish other suitable metering equipment.
- D. The meter-base/disconnect combination socket will be supplied, installed, and maintained by the Cooperative, and will normally be located on the Cooperative pole or as near to the Cooperative pole or padmount transformer as practical. The meter base shall be kept sealed, under the control of, and maintained by the Cooperative, except that the Member or qualified representative of the Member may enter the disconnect portion of the meter base to attach or detach the Member's service wire(s) to the main disconnect(s). In no case shall the Member or any party other than the Cooperative enter the meter socket portion of the meter base.
- E. When metering cabinets are required, Member shall provide, install, own and maintain same. Cabinet shall meet Cooperative's specifications and location, and shall be kept sealed and under control of Cooperative.
- F. Junction box: The Cooperative's meter base shall not be used by Member as a junction box unless suitably equipped with a second disconnect or with lugs designed for more than one conductor. In no case, however, shall more than one wire be inserted or attached to a terminal or lug designed for one conductor.
- G. Cooperative shall own, operate, and maintain one meter or one unified set of meters and metering equipment for each account.
  - a. The Cooperative will utilize, at its sole discretion, the metering and associated equipment appropriate for each service.
  - b. For services where the load is expected to remain constant (e.g., street lighting), the Cooperative may, at its discretion, provide the service without metering. In such cases, the constant load energy and demand will be estimated and will be billed monthly or annually according to the appropriate rate schedule.
- H. The Cooperative will supply further details as to the facilities and specifications of the Cooperative's and Member's service installation.
- I. Cooperative shall install, own, operate and maintain its service wires (sometimes referred to as "service drop") up to the point of service as defined by the Cooperative.
- J. Cooperative responsibility and liability terminates at the point of service, normally the load-side lugs of the main disconnect(s) in the Cooperative's meter-base/disconnect combination socket.
  - a. If service is not provided with a meter-base/disconnect combination socket, the point of service will be the point where the Cooperative's service drop conductors first contact the Member's

building structure, mast pipe, or other such service-terminating structure or facility. All such terminating facilities shall be approved by the Cooperative, but shall be owned, operated, and maintained by the Member.

- b. The Cooperative reserves the right to disconnect and remove its facilities without notice when in its judgment it deems that the Member's terminating structure or facility is inadequate.
- K. The Member shall provide, at no cost to the Cooperative, all necessary right—of—way easements required by the Cooperative for the extension of service to the Member and for the upgrade and/or extension of the Cooperative's facilities to abutting properties.

#### 6. Type of Service and Voltages Available

The Cooperative's standard nominal service voltage is single-phase, 60-Hertz, 120/240 volts, three-wire. Following is a list of all nominal voltage levels both single-phase and three-phase that the Cooperative may offer and/or require. Nominal voltages other than those stated here are not available from the Cooperative. A. 120 volts, two-wire, single-phase service.

- B. 120/240 volts, three-wire, single-phase service.
- C. 120/240 volts, four-wire, Delta three-phase service.
- D. 120/208 volts, three-wire, single-phase service.
- E. 120/208 volts, Y-connected, four-wire, three-phase service.
- F. 240/480 volts, three-wire, single-phase service.
- G. 240/480 volts, four-wire, Delta three-phase service.
- H. 277/480 volts, Y-connected, four-wire, three-phase service.
- I. At Cooperative's available primary voltage.
- J. At Cooperative's available transmission voltage.

The Cooperative's electrical system shall be designed to normally operate as per Rural Utilities Service (RUS) Bulletin 1724D–113 (Voltage Level). Wherever the voltage level is known not to be in conformance, the Cooperative will take steps to promptly initiate corrective action to restore the voltage level to within RUS Bulletin 1724D–113 Guidelines.

#### 7. Use of Service by Member and Limitations

- A. For exclusive use of Member: electricity supplied by Cooperative is for the exclusive use of the Member on the premises to which such energy is delivered by the Cooperative. Service shall not be shared with another, sold to another, or transmitted off the premises unless approved by the Cooperative. If this restriction is violated, Cooperative reserves the right to discontinue electric service without notice. Seasonal services as defined in Section 14 are excluded.
- B. Interconnection of structures: where Member's installation contains two or more structures and such structures are separated by the street, alley, railroad right-of way or other public thoroughfare and where there is no other intervening property occupied by others, the Member at his own expense and responsibility and subject to the approval of Cooperative may interconnect such structures so as to enable Member to receive all of his electric service requirements at one service and meter location and to be so billed.
  - This privilege is not transferable and automatically terminates if the structures cease to be part of a single establishment or are separately owned and operated.
- C. Each service to be billed separately: each separate service location and/or meter will be billed separately. Each different service voltage shall be separately metered and billed the same as though each service voltage was furnished to different individual Members.
- D. Motor size limitations: Special permission may be required from Cooperative to operate individual motors with a nameplate rating in excess of 15 HP.
- E. Reduced voltage starting of motors: Cooperative reserves the right to require all motors larger than 5 HP to be equipped, connected and operated by means of reduced voltage starting. The reduced voltage limits shall be as specified by Cooperative.
- F. Member's equipment to be acceptable: Member's electrical equipment shall be of an approved design, operated and controlled so as to not cause electrical disturbances on Cooperative's system or to be detrimental

- to the service furnished other Members of Cooperative. If these requirements are not complied with, service will be subject to disconnection.
- G. Power factor corrective equipment and voltage control: Cooperative reserves the right to require the Member to install at the Member's expense such power factor corrective and/or load limiting equipment as is necessary to limit load and voltage fluctuations so that it is not necessary for Cooperative to supply excess capacity and facilities.

For all Member installations of neon, fluorescent or other types of gaseous tube lighting including signs, it shall be the responsibility of Member to install, own, operate and maintain appropriate power factor correction equipment so that the power factor at all times will not be less than 90 percent lagging.

Where Member installs such power factor corrective equipment, Cooperative reserves the right to require Member to install such controls as are necessary, in Cooperative's opinion, to prevent voltage or other disturbances on

Cooperative's system that would be detrimental to service furnished to other Members. If upon request of Cooperative such voltage control equipment is not installed by Member, service shall be subject to disconnection.

- H. Fluctuating load limitations: where large fluctuating single-phase loads such as spot welders are involved, in order to limit voltage variations so same will not be detrimental to service furnished to other Members, Cooperative reserves the right to require such loads be supplied by means of a three-phase to single-phase motor generator or other three-phase to single-phase converting equipment. All such conversion equipment shall be installed, owned, operated and maintained by Member at the Member's expense.
- Separate transformers for special loads: in the event that a separate service or transformer installation or
  additional transformer capacity is required to adequately serve fluctuating loads (such as X-ray equipment,
  welders, etc.) such service shall be metered and billed separately in conformance to the applicable rate
  schedule.
- J. Programmable controllers and equipment/ appliances containing sensitive electronic components: where the Member installs equipment/appliances with sensitive electronic components such as computer microprocessors and other devices containing programmable controllers, it is understood that the Cooperative cannot guarantee to provide the power and voltage required by sensitive electronic equipment at all times. It shall be the responsibility of Member to install, own, operate and maintain appropriate "power conditioning equipment" in order to protect such devices from damage due to power line noise, voltage fluctuations, power interruptions, spikes, transient surges, harmonic distortions or other types of power disturbances which may be construed as being less than suitable to such sensitive electronic components.

#### 8. Relocation of Cooperative's Facilities

When solely for the convenience of the Member the Cooperative is requested to relocate its facilities, the Member shall pay, in advance, for making the desired relocation. When in the opinion of the Cooperative a hazard is created by the Member that can be corrected by relocating or altering the Cooperative's facilities, the Cooperative will relocate or alter its facilities to correct the condition at the Member's expense.

#### 9. Member's Installation and Equipment

- A. Facilities to be furnished by Member: the Member shall furnish and maintain without charge a suitable and adequate location for the metering equipment. No meter shall be installed in any location where it may be unnecessarily exposed to heat, cold, dampness or other cause of damage or in any unduly dirty or inaccessible location. The meter and appurtenances must be readily accessible at all times.
- B. Service entrance requirements: the service entrance shall be defined as the facilities consisting of cable and/or conduit and enclosed conductors and appurtenances, extending from the point of contact with Cooperative's service wires to Cooperative's meter installation and thence to and including Member's main entrance panel.

All such entrance facilities shall be installed and maintained at Member's expense.

C. Member's installation facilities: the Cooperative may supply further details as to the facilities and specifications of same.

- D. Member's equipment characteristics and utilization of service: Member shall install only motors, apparatus or appliances which are suitable for operation when utilizing the character of the service supplied by Cooperative. Member's utilization of electric service supplied by Cooperative must be in such a manner that it will not cause voltage disturbances on Cooperative's distribution or transmission system. Cooperative shall be the sole judge as to the suitability of all apparatus or appliances to be connected to its lines, and whether or not the operation of such apparatus or appliances will be detrimental to service supplied to other Members.
- E. Load to be balanced: the Member shall use reasonable care in designing his electric wiring and circuits. Member's electric loads shall be connected to Member's circuits so that the loads on the individual phases, legs and circuits of Cooperative's service conductors are properly balanced.

#### 10. Attachments and Unauthorized Communications Devices Prohibited

- A. No wires, cables, guys, structures, equipment, hardware or any appurtenance of whatever character owned by any individual, firm or corporation shall be attached, connected, supported or otherwise make use of any poles, equipment, facilities or any appurtenance owned by Cooperative unless approved by the Cooperative or covered by a special written rental contract between Cooperative and the individual, firm or corporation involved.
- Devices connected to Member's facilities which transmit signals beyond Cooperative's service drop connection to Member's service entrance are prohibited.
- Cooperative shall not be liable for damage or interference caused by Member-owned communication devices.
- D. Any unauthorized use of Cooperative's equipment or facilities by others shall subject the removal of all unauthorized attachments or appurtenances by Cooperative without any prior notice being given to the violator or trespasser.

#### 11. Emergency Generating Equipment

The Cooperative permits the use of emergency generating equipment for operation only in the event the Cooperative's electric power supply is interrupted. Periodic testing is permitted.

Where Member has emergency generating equipment installed, Member shall install and maintain all necessary double—throw switching and protective devices so that it will be impossible for Member to operate his generating equipment in parallel with Cooperative's system and thereby create a safety hazard on Cooperative's electric system. The entire generating equipment, wiring, and switching installation shall be in conformance with the National Electric Safety Code.

Due to the possibility of a fatal accident occurring, Cooperative reserves the right to discontinue its service without notice if Member's installation does not at all times comply with these provisions and requirements.

All Members' equipment shall be installed beyond the metering point and on or in Member's pole/structure.

#### 12. Supplementary Standby Power to be Supplied by Cooperative

When Member utilizes other sources of energy supply, and desires that Cooperative provide backup, standby, or auxiliary facilities and capacity as a second power supply source, such standby requirements may be furnished only by a special contract.

#### 13. Qualifying Cogeneration and Small Power Production Facilities

The Cooperative will purchase power under the applicable rate schedule and provide supplementary power, backup power, interruptible power, and/or maintenance power when requested. Each generating unit must qualify with the Public Utility Regulatory Policies Act of 1978 (PURPA), be certified by the Federal Energy Regulatory Commission (FERC), and be installed and operated in compliance with the Cooperative's standards.

#### 14. Nonpermanent, Seasonal, and Temporary Service

A. Definition of nonpermanent service: shall be defined as service provided for more than 12 months not on a year-round basis when the element(s) of permanency does not exist for services such as recreational vehicles and camping trailers. B. Definition of seasonal service: shall be defined as service provided on an ongoing basis that is usually not connected for a full 12 months each year, such as cabins, cottages, and recreational vehicles.

- C. Definition of temporary service: shall be defined as service to be furnished for period of one year or less. Such temporary service also includes service furnished to trailers, carnivals, street fairs, construction contractors, portable tools, etc.
- D. Special application required: whenever the service requested by the Member is temporary, special, short-term, or emergency in character, such service shall be classified as temporary service. A written application or contract may be required which will cover the period and character of service.
- E. Aid-to-construction advance by Member: whenever the service requested by the Member is defined under A, B, or C above, the Member(s) shall advance to Cooperative an aid-to-construction amount that will cover Cooperative's estimated cost of all of the facilities, materials, labor, and various Cooperative overheads involved. Such advance shall be paid to Cooperative prior to the construction. In determining the amount of aid-to-construction, Cooperative may adjust same to reflect salvageable materials, less the cost of removal, of facilities not retained in electric plant.
  - a. In addition to aid-to-construction advance, such temporary service shall also be subject to any applicable special service fee for the type of service involved.
- F. Applicable rates to apply: nonpermanent, seasonal and temporary service shall be furnished and billed in conformance to Cooperative's applicable schedule.

#### 15. Permanent Service Extensions

- A. Residential extensions: the Cooperative will extend its single-phase distribution facilities to supply electric service to structures where, as determined by Cooperative, the element of permanency exists and where the electric service is normally used on a year-round basis.
  - a. To serve such permanent installation, Cooperative will, at no cost to the Member, extend its facilities along and immediately adjacent to the right-of-way limits of highways that have been legally dedicated to public use by the governmental authority having jurisdiction over same and where such highways are maintained by such governmental authority, excluding limited access highways.
  - b. In addition to the above, Cooperative will, at no cost to the Member, construct extensions from said distribution facilities provided, however, the total estimated cost of all facilities (primary, secondary and service drop), does not exceed \$1,000.
  - c. An aid-to-construction will be required to be paid by Member whenever the total estimated cost of all facilities (primary, secondary and service drop) to construct the extension exceeds \$1,000.
  - d. If the permanent service extension is likely to be used for additional future services, as determined by the Cooperative, please refer to the appropriate Cooperative management policy to determine the additional aid—to—construction fees and/or credits applicable.
- B. Nonresidential and three-phase service: where an extension, enlargement or expansion of Cooperative's facilities is involved (including furnishing of three-phase service), Cooperative reserves the right to require an aid-to-construction advance where, as determined by Cooperative, the probable additional revenue is insufficient to justify the investment and operating expenses involved.
  - a. Cooperative reserves the right not to furnish three-phase service to Members when Cooperative determines that single-phase service will adequately supply Member's load requirements.

#### 16. Billing, Payments, Meter Reading and Meter Testing

- A. All bills are due and payable when rendered on or before the date specified on Member's bill for electric service. If an account of Member is not so paid, the late charge as set forth in rate schedule is payable.
- B. Cooperative will allow at least 10 days between the date of bill and the final payment date specified on Member's bills. C. Bills are payable in person or by mail at the main or branch offices of Cooperative or at any authorized and designated collection agency of Cooperative, or through the use of electronic transfer, on or before the date and/or time limit specified on bill. Failure to receive bill or the existence of a Member deposit or capital credits will not entitle Member to any discount or to the remission of any charge for nonpayment within the date of time limit specified.
- D. The words "month" or "regular billing period" as used herein are hereby defined to be the elapsed time between two successive meter readings, approximately 30 days apart.

- E. Cooperative may bill at other than monthly intervals, in which event the length of the rate blocks and the applicable minimum and service charge will be multiplied by the number of months between meter readings. Cooperative may estimate on a monthly basis between meter readings.
- F. In the event of meter stoppage or the failure of any meter to register the full amount of current consumed, Cooperative reserves the right to bill for such period on an estimated consumption based upon Member use of electricity in a similar period of like use.
- G. Members who intend to move from premises or discontinue the use of electricity or in any way terminate their liability hereunder shall give the Cooperative reasonable notice of such intention. The Member and/or property owner will be liable in accordance with the laws of this state, for all electricity used upon the premises until such notice is given and the Cooperative has furnished the final meter reading and/or service has been disconnected.
- H. When the accuracy of a meter is questioned, upon request from the Member, the Cooperative will test the meter. If the meter is found to be correct within plus or minus two percent, to partially cover the expense to make such a test the applicable charge specified elsewhere shall be paid by Member to Cooperative.
  - a. If the meter being tested is found to be more than two percent slow or fast, no charge shall be made for testing. If the meter is more than two percent fast, the Cooperative will adjust the bill in proportion to the error up to the date of installation of a new meter or the recalibration of existing meter, but said adjustment period shall not exceed one year.
- I. Meter reading: the Cooperative normally reads its meters. At the option of the Cooperative, Members receiving single phase service may individually read their meters accurately as near as practicable on the date specified by Cooperative. J. Variable budget billing for residential service: Member shall have the option of paying bills monthly, in conformance to Cooperative's budget plan, which is as follows:
  - a. The Cooperative utilizes variable budget billing. The monthly billing kWh is determined by adding the 11 prior months actual kWh usage, plus the current month's actual kWh usage, divided by 12, to obtain an average kWh usage. This figure is used to calculate the current month's budget billing.
  - b. The budget amount is to be paid regularly each month and if entire monthly payment is not made, Cooperative may, at its option, remove the account from the budget billing plan, and the account brought up—to—date and due.
  - c. When past actual usage is not available, the Cooperative will establish in its best judgment a monthly amount until an actual kWh usage history is determined.
  - d. Cooperative reserves the right to re-adjust the budget billing at any time and limit the beginning of budget billing to a certain month(s).
- K. Operation Round Up\*: The member will be automatically enrolled in the Operation Round Up\*, unless the member requests to not participate.

#### 17. Deposit and Responsibility for Payment of Bills

- A. Cooperative reserves the right to require a suitable deposit on accounts, per Cooperative's management policy.
- B. Cooperative reserves the right to waive said deposit where Member's credit rating or actual experience conforms to Cooperative's requirements.
- C. Deposits may be held for the term of service rendered from the Cooperative, or as may be limited by law.
- D. Interest shall be accrued or paid on deposits, when required by law.
- E. Cosigner: the Cooperative, at its option, may accept a cosigner in lieu of a residential deposit. The cosigner must be an active Member whose credit is in good standing.
- F. For all service classifications, Cooperative reserves the right to require a deposit and/or additional deposit if Member's past record of payment on accounts and/or electric power usage indicates that such deposit is required to assure payment. Such deposit includes, but is not limited to: past experience as to payment of bills, disconnection for nonpayment of bill, checks returned for insufficient funds and increased electric power requirements.
- G. Deposit made by Member to secure payment of bills shall in no way affect the terms of payment of the applicable rate schedule and all bills must be paid within the stated time limit in order for the net rates set forth in the schedule to be applicable.

#### 18. Special Services, Charges for Connection and Reconnection of Service, etc.

To partially offset the additional expense caused the Cooperative to furnish special services requested or caused by the Member, such as the connection and disconnection of service, deposits, collection of accounts, meter testing, etc., Cooperative has adopted a Schedule of Charges for such special services.

#### 19. Cooperative's Liability

Cooperative will use reasonable diligence in furnishing a regular and uninterrupted supply of energy but in case such supply should be interrupted, altered, or fail by reason of an act of God; the public enemy; accidents; strikes; legal process; federal, state or municipal interferences; breakdowns, injury, or extraordinary repairs to the machinery, transmission lines, or distribution lines of Cooperative; planned outage; or for any other reason beyond its control, the Cooperative shall not be liable for damages to the Member because of such interruptions to Cooperative's electric service.

The Cooperative shall not be liable for damages to the member's or property owner's property resulting from the attachment of the Cooperative's lines or other facilities to the member's or property owner's property. Neither shall the Cooperative be liable for damages that result from the failure of those lines or facilities, provided the failure does not result from gross negligence on the part of the Cooperative.

#### 20. Member and/or Property Owner's Liability

- A. The Member shall be responsible for all electricity used on the premises occupied by Member under the service contract or application, until reasonable notice has been given at the official office of the Cooperative to discontinue the supply of electric service. Such discontinuance of supply shall in no way relieve Member of the obligation as to minimum charge and other payments set forth in Member's contract or service application with Cooperative.
- B. Member and/or property owner shall be solely responsible for all wiring and appurtenances on his premises up to the point where Cooperative's wires and fixtures are first connected to Member's wiring and appurtenances, which point shall be considered as Cooperative's point of delivery.
- C. In the event of loss or of injury to the property or equipment of Cooperative because of misuse or negligence by the
  - Member and/or property owner or his employees, the cost of any necessary repairs or replacements shall be paid to the Cooperative by the responsible party. The Member will be held responsible for any tampering or interfering with or breaking the seals of meters or other equipment of Cooperative installed on the premises and will be held liable for the same according to law.
- D. The Member shall notify Cooperative promptly of any defect in Cooperative's service or any trouble or accident to Cooperative's electrical supply or equipment.

#### 21. Illegal Diversion of Electricity

In the event that Cooperative finds that its metering equipment and/or its wiring or connections have been tampered with so as to prevent proper registration to the quantity of electricity used on the premises, Cooperative reserves the right to discontinue its service at once and without notice to the Member on any premises:

- A. If electricity—consuming devices are connected or can be connected ahead of Cooperative's meter or metering equipment or if connections or devices of any kind are found installed on the premises of a Member which would prevent the meter from registering the total amount of electricity then being used or which may be subsequently used on the premises.
- B. If inspection by Cooperative shows or indicates that anyone has interfered or tampered with any wiring, connections, seals, conduits, equipment or appurtenances and that interference and/or tampering may have prevented in the past or would prevent in the future the meter registering the total amount of electricity used.

Management may, to the extent allowed by law, collect money from the Member for any electricity consumed (metered or estimated), any and all damages incurred to cooperative property, and an additional security deposit to protect future billings. Management may also, to the extent allowed by law, pursue the prosecution of any person who illegally diverts or tampers with Cooperative's meter or other such property to prevent proper registration of the quantity of electricity consumed.

#### 22. Access to Premises

Any properly identified representative of Cooperative shall at all reasonable hours have free access to and from the premises of the Member for the purpose of inspecting the Member's installations and electric equipment and for the purpose of installing, maintaining, removing, inspecting, inventorying, reading, repairing, or testing the Cooperative's meter or its other property. While emergency and nonstandard operating conditions exist, Cooperative's representative(s) shall also have immediate and free access to Member's premises.

#### 23. Discontinuance of Service for Cause

The Cooperative reserves the right to discontinue the supply of electrical energy and to disconnect its service and/or remove Cooperative's property from the premises of the Member for any of the following reasons: A. When the Member is in arrears in the payment of bills.

- B. When Member fails to comply with any provision or future provision of Cooperative's Terms and Conditions of Service, Cooperative's Code of Regulations, Articles of Incorporation, or rules or regulations as may from time to time be adopted by the board of trustees.
- C. For fraud or to prevent fraud involving the illegal diversion of electricity.
- D. When Member has moved from the premises or has requested disconnection of service.
- E. For willful destruction of Cooperative's property located on Member's premises and for nonpayment of such property destruction by Member.
- F. If Member's service is detrimental to the service furnished by the Cooperative to its other Members and Member fails or refuses to correct the situation after reasonable notice has been given to Member by Cooperative.
- G. For necessary repairs, modification or improvement to Cooperative's system or for unavoidable shortage or interruptions in Cooperative's electric power supply force.
- H. For any unsafe or hazardous installations that jeopardize the safety of either the public or the employees of Cooperative or the property of Cooperative.
- I. When unauthorized devices/equipment are attached to Cooperative's facilities.
- J. When made incompatible, unreasonable or unlawful by order of any state or federal government regulatory authority, laws of this state or by any political subdivision thereof.
- K. If the member refuses to grant right-of-way easements, at no cost to the Cooperative, for the extension of service or for the reasonable extensions of the cooperative's facilities to other properties.

Any such discontinuation of service shall not terminate or reduce the term of any contract between Cooperative and Member nor shall it abrogate any applicable minimum or service charge. Disconnection and reconnection of service may be subject to appropriate charges.

#### 24. Discontinuance of Service – Notice to Members

Notice to discontinue service may be given to Member by whichever of the following methods is applicable:

- A. For nonpayment of bill: all Member bills will clearly specify the date that the bill is due and payable and may state the date when service is subject to disconnection for nonpayment of bill.
  - As an alternate, Cooperative may give a separate printed notice by mail and/or delivered by a Cooperative employee to Member at least 10 days in advance of the date when service is to be disconnected by Cooperative.
- B. For violation of other Terms and Conditions of Service: Cooperative may give notice by any of the following methods:
  - a. Notice given to Member, or to his agent or employee on the premises. Such notice may be given orally, personally, or by telephone by an authorized representative of Cooperative.
  - b. If the violation jeopardizes the safety of the public or Cooperative's employees or Cooperative's property, service may be disconnected without notice, to be subsequently followed by oral and written notice, setting forth the violation involved.
  - c. Written notice will be provided by prepaid mail deposited in the United States Post Office.

#### 25. Rates Applicable and Selection

- A. Complete schedules of all of Cooperative's rates in effect, including its Terms and Conditions of Service, shall be available for inspection at all times by any Member at Cooperative's office, during regular office hours.
- B. The rates to be charged Member and to be paid by Member to the Cooperative for electric service shall be the applicable rates in effect by Cooperative for the class of service involved.
- C. All changes in rates made by Cooperative shall be applicable to the first full billing period following the date that such rate changes are to become effective, or as may be specified on the rate schedule itself.
- D. Cooperative assumes no responsibility for selection of most advantageous rate schedule for a Member. However, Cooperative will, at Member's request, assist in determining which of Cooperative's rates (for which Member qualifies) would be most advantageous to the Member when applied on a 12-month basis to Member's electric energy requirements (actual or estimated). Determinations may be made in the following manner:
  - a. Where a new Member is involved, the most advantageous rate determination shall be based on the 12 months load conditions as furnished by the Member to Cooperative.
  - b. Where an existing Member is involved, the most advantageous rate determination shall be based on actual load conditions of Member as recorded by Cooperative during a recent 12-month period elected by Member as being normal.
  - c. If additional load is to be added to Member's existing load requirements, in the determination of the most advantageous rate, the additional load requirements to be used to determine electric power cost shall be those furnished by Member to Cooperative.
- E. The final rate selection shall be made by the Member and Cooperative may request that the rate selection be in writing.
- F. Any rate selection shall not apply retroactively to Member's previous bills.
- G. The rate selected by Member shall remain in effect for 12 consecutive months. At that time Member shall be eligible to apply for another rate.
- H. Cooperative shall not be responsible for notifying Member as to availability of a more advantageous rate. Due to the impracticability of Cooperative monitoring the variations in the load requirements of each and every one of its Members, Cooperative shall not be held responsible to notify a Member that due to his changed load conditions a more favorable rate schedule is available. Also, due to such variations in Member's load requirements,

Cooperative cannot guarantee that Member will, at all times, be served under the most advantageous rate schedule. I. Rate selection shall conform to contract: where a written contract is involved, the rate specified in the contract, including the minimum charge and related matters, is not subject to change.

- J. The Member shall not be eligible for any rate schedule unless, as determined by the Cooperative, the classification of Member's requirements, use of electric service, and Member's wiring and equipment conforms to the rate schedule requirements under consideration, including any applicable standards and specifications of Cooperative as to kind of equipment, controls, wiring and other related matters.
- K. Any wiring and/or equipment changes required in order for Member to qualify for a given rate schedule shall be made at the expense of Member.
- L. Conflict between rules and rate schedules: if a conflict occurs between any provision(s) set forth in these Terms and Conditions of Service and the service agreement or contract with Member and/or the applicable rate schedule, the provisions set forth in the service agreement or contract shall take precedence and govern, to be followed by provisions set forth in the applicable rate schedule and these Terms and Conditions of Service.

#### 26. Facilities for New Subdivisions

For new subdivisions to be served by either overhead or underground distribution, including the facilities to be installed by both the Cooperative and the developer, the plan and installation shall be in conformance to Cooperative's management policies.