WALTON ELECTRIC MEMBERSHIP CORPORATION MONROE, GEORGIA

SERVICE RULES AND REGULATIONS

TABLE OF CONTENTS

		<u>PAGE</u>		
1.	ELE	CTRIC SERVICE AVAILABILITY 4		
	1-1	Application for Membership4		
	1-2	Account Establishment Fee		
	1-3	Service Security Deposit5		
2.	GEN	TERAL EXTENSION POLICY 6		
	2-1	Overhead6		
	2-2	Underground Line Extensions9		
	2-3	Standard Supply Voltages		
	2-4	Service Interruptions		
	2-5	Standby Power		
	2-6	Resale of Power14		
	2-7	Prior Debts14		
	2-8	Request for Same-day Connection for Existing Service		
	2-9	Request for Line Construction Outside Normal Working Hours15		
3.	SERVICE CONNECTIONS, MEMBER WIRING & MEMBER EQUIPMENT 15			
	3-1	Service Connections		
	3-2	General Wiring Requirements16		
	3-3	Member Equipment16		
	3-4	Power Factor Corrections		
	3-5	Phase Load Balance		
4.	CONSUMER CLASSIFICATIONS 18			
	4-1	Residential and Farm Service		
	4-2	General Service		
	4-3	Industrial Service		
	4-4	Outdoor Lighting Service19		
	4-5	Rate Schedule Availability19		
	4-6	Filing of Rate Schedules 19		

5.	MET	TERING	19
	5-1	Electric Meters	19
	5-2	Meter Readings	20
	5-3	Incorrect Reading of Meter	21
	5-4	Failure of Meter to Register Correctly	21
	5-5	Meter Tests	21
	5-6	Separate Meter for Each Service	21
6.	BILLING		
	6-1	Billing Period and Payment of Bills	21
	6-2	Payments of Credit Cards	
	6-3	Adjustment of Bills	
	6-4	Late Fee, Collecting, Disconnection for Failure to Pay, Service Fee,	
		and After Hours Service Fee	22
	6-5	Other Reasons for Disconnection	23
	6-6	Returned Payments	25
	6-7	Extension of Credit	
	6-8	Levelized Billing	26
7.	EASEMENTS, RIGHT OF ACCESS AND COOPERATIVE PROPERTY		
	7-1	Member to Grant Easements to Cooperative	26
	7-2	Right of Access	26
	7-3	Cooperative Property	26
8.	GEN	ERAL CONDITIONS FOR MEMBER WITHDRAWAL	27
9.	MISCELLANEOUS		27
	9-1	Office and Service Hours	27
	9-2	Scheduled Outages	28
	9-3	Line Facilities Relocation	28
	9-4	Retirement of Idle Services	29
	9-5	No Prejudice of Rights	29

WALTON ELECTRIC MEMBERSHIP CORPORATION MONROE, GEORGIA

SERVICE RULES AND REGULATIONS

Effective: April 12, 2011

1. ELECTRIC SERVICE AVAILABILITY

1-1 Application for Membership

Any person, firm, association, corporation, or public body shall apply for membership and pay a \$5.00 membership fee together with a \$20.00 non-refundable account establishment fee, and service security deposit that may be required by the Cooperative. The membership will become effective after applying and when the membership and account establishment fees have been paid. The consumer shall agree to purchase from the Cooperative all electric energy for use on the premises and to be bound by the Cooperative's Charter and Bylaws and all rules, regulations and rate schedules established pursuant thereto, and pay the minimum monthly bill or, in the event of a written contract for service, the minimum set forth in said contract. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative.

Walton EMC will not refuse or disconnect electric service to a consumer because of a delinquency in or failure to make payments for service by a previous member at a location unless the consumer desiring service occupied the premises at the time the delinquency occurred and the previous member continues to occupy the premises.

Upon termination of membership, the membership fee will be refunded or applied against any unpaid balance owed the Cooperative. Any unpaid balance owed the Cooperative upon termination of membership becomes due in full and payable, plus any reasonable collection fees incurred by the use of an outside agency or attorney, and court cost incurred to the extent permitted by law.

A consumer may have any number of service connections under one membership. Membership of a husband and wife shall be a joint membership. In the event of a divorce or if one party wishes to be taken off of a joint membership, both parties must provide agreement to this request by presenting either a notarized request signed by both parties or proof of ID in person at the office of the cooperative. In the event of a divorce, a copy of the divorce decree must be provided. The party retaining membership will then be asked to complete an application for singular membership.

The cooperative reserves the right to request any additional information it deems necessary to verify the identity of applicants for service or existing members.

1-2 Account Establishment Fee

All consumers desiring additional service connections must pay a \$20.00 non-refundable account establishment fee per service connection.

1-3 Service Security Deposit

A service security deposit shall be collected in advance of connecting any service with respect to which the Cooperative determines that such deposit is needed to assure payment of the power bill. A deposit may be required or increased from existing customers if during a twelve (12) month period the customer has had service disconnected for non-payment or has had three (3) or more delinquent payments during the twelve (12) month period.

In determining the need for service security deposits, and in fixing the amount of such deposits, the Cooperative will give careful regard to the following factors:

- A. Type of service involved;
- B. Risk involved in a new business enterprise;
- D. The credit rating of the consumer;
- E. History of connects, disconnects, and reconnects at the involved premises or for the involved consumer; and
- F. Any other factor having a realistic bearing on the consumer's financial dependability.

Residential Deposit

The deposit amount for residential customers will be determined by the results of a credit check. The deposits will be charged according to the following credit rating scale:

Low Score \$300.00 Medium Score \$150.00

High Score No Deposit Required

Such cash deposit shall bear interest at a rate to be determined annually by the Board of Directors. Interest earned on such deposit will be credited annually to the consumer's December electric bill.

The cash deposit shall be refunded, with unpaid interest, upon termination of service, less any amounts the consumer may then owe the Cooperative.

Commercial/Industrial Deposit

A commercial business or industry shall be required to pay a deposit amount based on the square footage of the building, a previous history of the building, or the projected electrical usage of the building.

The deposit amount may be satisfied by payment of cash or provision of a security bond (with a 90-day cancellation notice).

Deposits shall not ordinarily be more than two times the highest actual or estimated monthly power bill of the facility, except when service is being furnished on the basis of a written contract or when the Cooperative determines that a higher amount is necessary due to some unusual circumstance.

Such cash deposit shall bear interest at a rate to be determined annually by the Board of Directors. Interest earned on such deposit will be credited annually to the consumer's December electric bill.

The cash deposit shall be refunded, with unpaid interest, upon termination of service, less any amounts the consumer may then owe the Cooperative.

2. GENERAL EXTENSION POLICY

The Cooperative will design and install the electrical distribution system in compliance with good engineering practices that are economically feasible to the Cooperative.

If the Cooperative's preferred method of service is not acceptable, the member-consumer will be required to pay a non-refundable contribution for the extra cost of providing service by the method he/she prefers over and above the cost of the Cooperative's preferred method.

In any case, the members preferred method must not conflict with good engineering practice.

2-1 Overhead

Application for electric service will be classified into one of the following defined classifications and service will be extended accordingly:

A. Permanent Establishments

1. Residences

This classification includes permanent residences including apartments, and condominiums which are of a permanent nature and which require electric service on a continuous basis. Single phase electric service facilities will be extended to establishments of this classification in any location within the

service area of the Cooperative upon request by the owner or occupant, without any requirement of contribution in aid of construction and will be served at the regularly established rates and minimum charges.

2. Permanent Establishments Other Than Residences

This classification includes commercial and industrial establishments, schools, public buildings, churches or any other establishments other than residences, requiring either single-phase or multi-phase service, which are of a permanent nature, and which require electric service on a continuous basis. Electric service shall be extended to such establishments without any contribution in aid of construction or facilities extension deposit when such establishments are located within one span of the Cooperative's existing facilities which are of adequate capacity to serve the load. Any service requiring the construction of additional line shall be extended only upon such terms and conditions as are economically feasible to the Cooperative.

All applicants for multi-phase service will be required to execute a written contract in advance of extending such service.

3. Mobile Homes

Service to Mobile homes shall be provided at the regularly established rates and minimum charges without any required contribution in aid of construction provided that:

- (a) The applicant for service can provide evidence of ownership of the property on which the mobile home is located, and;
- (b) The applicant for service can provide evidence of ownership of the mobile home, and;
- (c) The mobile home is to be used as a permanent dwelling by the applicant for service rather than a weekend or summer cottage type dwelling, or;
- (d) The mobile home is located in a mobile home park approved by the zoning authority in the city or county in which it is located.

Applicants for service to individual mobile homes not meeting the above criteria shall be considered temporary and will be required to pay the full cost of facilities required to serve the load in excess of one span of primary or secondary service.

B. <u>Temporary Services</u>

All consumers of a temporary nature where the Cooperative extends its lines which must later be retired at the termination of service; or service extended solely for the owners or contractors convenience during construction; or service extended for a special or temporary period must pay as follows:

1. Carnivals, Circuses, Christmas Tree Stands, Bridge Construction, etc.

Temporary users of this type, where the Cooperative extends its lines which later must be retired at the termination of the service will pay:

- (a) A refundable service security deposit of two months estimated use of electricity OR an estimated total use whichever is less, AND
- (b) A non-refundable construction and retirement charge of the estimated total costs of construction and retirement or \$150.00 whichever is greater.

2. Houses or Buildings

Where the service is extended solely for the owners or contractors convenience during construction, where the Cooperative's personnel must return to construct permanent service, a non-refundable charge of \$100.00 will be collected.

These temporary service fees and charges shall be in addition to the membership fee as set forth in paragraph 1-1 above.

The consumer applying for temporary service will be required to supply a suitable pole, including meter base, at the agreed upon location, which meets the standard set by the National Electrical Code, Article 230, Section 230-24 (b), or any county or state requirement which exceeds the National Electrical Code, but the point of attachment shall not be less than 12 feet above the ground level. The consumer will be required to obtain his/her own inspection clearance for such installations.

No temporary service equipment may be attached to the Cooperative's poles or to trees.

C. Seasonal Establishments

Applicants for service to seasonal establishments used on a seasonal basis will be required to pay the full cost of facilities required to serve the load which is in excess of one span of primary or secondary service. The connection or reconnection of such service shall obligate the consumer to pay in advance to the Cooperative at least the annual minimum charge set forth in the rate schedule applicable to such establishment.

D. Supplemental Farm Loads, i.e., Chicken Houses, Barns, Pig Parlors, etc.

Electric service facilities will be extended to these applicants pursuant to sections 2-1A, 2-1C, and/or 2-1D, 2-2A2c as applicable.

E. Limited Service for Residences Only

Applicants for service to an existing idle residence on a limited basis will be required to pay a non-refundable limited service fee in certified funds of \$100.00 for five (5) or less Cooperative working days of service.

2-2 Underground Line Extensions

The Cooperative will extend underground service, upon request, to its consumers under the following conditions:

A. Residential Services

1. Service Availability:

When required conditions are met the Cooperative will install, own and maintain a 60 cycle 120/240 volt single phase underground electrical distribution system including the service laterals.

2. Non-refundable contribution for service laterals:

(a) Single family units (both individual and in subdivision) including modular homes and mobile homes:

The Cooperative will obtain a minimum non-refundable contribution of \$800.00 per service. This contribution represents 50 percent of the estimated difference in overhead and underground service cost in average developments as now served by the cooperative. The other 50% represents credit for initial and future right-of-way clearance, storm damage, etc.

Anyone building a total electric home (electricity as the exclusive means of water and space heating) or developing a total electric subdivision will pay the \$800.00 for underground service and any additional aid-inconstruction charges for underground primary before installation. After the home is inspected for the heat pump(s) and water heater(s), \$500.00 of the per lot service charge will be reimbursed to the builder/

homeowner of the total electric home or to the developer of the exclusive total electric subdivision.

It is the responsibility of the builder/homeowner/developer to contact the Cooperative for reimbursement.

(b) Multi-family units in developments including both apartments, condominiums, or single-family units in subdivisions where the front width of the lot does not exceed sixty (60) feet (including modular homes and mobile home developments):

The Cooperative will obtain a minimum non-refundable contribution of \$520.00 per service. This contribution represents 50% of the estimated difference between overhead and underground service cost in average developments as now served by the cooperative. This contribution is lower than for section (a) above to reflect the lower transformer and trenching cost since more units can be served from one location.

Anyone building a total electric home (electricity as the exclusive means of water and space heating) or developing a total electric subdivision will pay the \$520.00 for underground service and any additional aid-inconstruction charges for underground primary before installation. After the home is inspected for the heat pump(s) and water heater(s), \$325.00 of the per lot service charge will be reimbursed to the builder/homeowner of the total electric home or to the developer of the exclusive total electric subdivision.

It is the responsibility of the builder/homeowner/developer to contact the Cooperative for reimbursement.

- (c) In addition to the minimum charge in (a) and (b) above, all costs of providing underground service in excess of two times the estimated annual revenue will be paid by the consumer or developer. This additional cost also applies to large lot subdivisions (approximately two acres and larger) where the developer is responsible for costs over and above the overhead facilities cost.
- (d) Incidental loads such as water pumps, swimming pools, etc., shall be considered as individual services or units and the above required contributions shall apply.
- (e) Three phase service may be supplied provided good engineering practice justifies its use and should be included in the initial design of the project. Where three phase is requested, but where its installation is not economically feasible to the Cooperative, the extra cost of providing

service will be paid by the member or developer in addition to the fixed contribution as provided above.

(f) The unit cost of construction will be changed from time to time as required by increased costs of construction. These changes may require future adjustments of the required contribution per service in (a) and (b) above. Any needed adjustments would not occur more frequently than once a year and would require approval of the Board of Directors.

3. Underground Outdoor Lighting Service:

Underground service to outdoor lighting will be furnished in accordance with the Cooperative's existing "Outdoor Lighting Service" rate schedule.

- 4. Estimates of the annual revenue will be calculated pursuant to the attached revenue estimating tables identified as "Exhibit A" which may be revised from time to time.
- 5. If payment is made for underground residential distribution and subsequent calculations establish that the initial payment was in excess of the amount required by the application of the above provisions, the Cooperative will make reimbursements to the contracting party for the amount of the excess payment.

B. Commercial/Industrial/Public Facilities

1. Upon request from an owner or developer, the Cooperative will install underground service to commercial, industrial and public facilities upon the owner or developer agreeing to pay an amount by which the cost to provide underground service exceeds two times the estimated annual revenue.

The Cooperative may apply the ratio to a commercial subdivision as an entity rather than to the individual consumers therein.

2. Service Availability:

The Cooperative will determine its preferred method of providing underground service by the extension of:

- (a) The primary system to a transformer location on the consumer's property.
- (b) The secondary system.
- (c) An underground service from an overhead pole.

Normally, secondary voltages provided shall consist of three phase 120/208 volts and 277/480 volts and single phase 120/240 volts. Requests for three phase delta service will be given consideration based on facilities available, size of load and good engineering practice.

The number and location of service points will be determined by economics, good engineering design, local codes, and mutual agreement of Cooperative representatives and owner or developer representatives. Each service point shall be metered separately.

If the Cooperative's preferred method of service is not acceptable, the owner or developer will be required to pay a contribution in aid of construction for the extra cost of providing service by the method he/she prefers over and above the cost of the Cooperative's preferred method regardless of the cost to revenue ratio.

When it is in the best interest of the Cooperative, contributions in aid of construction required herein may be waived only upon the approval of the President/CEO.

3. Facilities Provided by Cooperative:

The Cooperative will furnish and install the transformers, transformer pad, transformer enclosure, primary cable and terminators, necessary bus, connectors (including those for secondary), and metering.

4. Facilities Provided By the Owner or Developer:

The owner or developer will provide all duct and cable for secondary service from the secondary terminals of the transformers to the service entrance equipment.

The owner or developer shall provide adequate right-of-way with suitable easement for the installation, operation and maintenance of Cooperative facilities with provision for owner-developer payment for cost of any future relocation of facilities.

C. Other Requirements Applicable To Any Underground Line Extension

1. Where, due to rock conditions in the soil, the trenching work cannot be accomplished by use of standard trenching equipment, any excess cost occasioned by such conditions will be borne by the owner or developer. Where there are other unusual conditions, such as high water table, which require installation procedures not normally used, the excess cost of such

procedures may be charged by the Cooperative to the owner or developer.

- 2. The owner or developer will reimburse the Cooperative for the cost of installing and removing any temporary overhead facilities requested by him/her and for the cost of cutting through and replacing pavement within the development.
- 3. The owner or developer will furnish, without cost to the Cooperative, necessary easements and rights-of-way and will be required to initially cut and clear the same. The owner or developer will be required to have the rights-of-way and all streets, alleys, sidewalks and driveway entrances graded to final grade, and will have lot lines established, before construction of the electrical distribution system begins.
- 4. The type of construction and the location of said facilities will be at the option of the Cooperative. Should the owner or developer desire changes in either location or type of construction, such installations will be made only upon the owner or developer agreeing to pay the Cooperative the estimated additional cost incurred thereby.
- 5. The Cooperative shall have the option of placing transformers above ground, on pads of its specification and/or design, or underground, and in enclosures of its specification and/or design, as the Cooperative in its sole discretion may determine to be practicable.
- 6. Shrubs, trees and grass sod requiring protection during the installation of the underground service will be the responsibility of the owner or developer, and the owner or developer will hold the Cooperative and/or its subcontractors harmless against any claims for such damage.
- 7. All payments for underground installations will be made prior to beginning of construction by Cooperative personnel.

2-3 Standard Supply Voltages

One system of alternating current, 60 hertz, is supplied throughout the Cooperative's system.

The voltage, number of phases, and type of metering which will be supplied depends upon the Cooperative's facilities available and upon the character, size and location of the load to be served. Therefore, the consumer shall consult the Cooperative before proceeding with the purchase or installation of wiring or equipment. To avoid misunderstanding this information should be in writing.

The standard secondary voltages described below are nominal and are subject to a plus or minus 10 percent variation.

Single-phase, 2 wire, 120 volts Single-phase, 3 wire, 120/240 volts Three-phase, 120/208 volts Three-phase, 120/240 volts - overhead only Three-phase, 240/480 volts - overhead only Three-phase, 277/480 volts

2-4 Service Interruptions

The Cooperative does not guarantee continuous and uninterrupted electric service and will not be liable for loss or damage to any consumer's equipment caused by any failure to supply electricity or by an interruption or reversal of the supply of electricity if due to any cause beyond the reasonable control of the Cooperative.

The consumer shall notify the Cooperative promptly of any defect in service or of any trouble or irregularity in the electric supply.

Whenever service is interrupted for work on lines or equipment, such work shall be done, as far as practicable, at a time that will cause the least inconvenience to the consumer. The consumer to be affected by such interruptions shall, if practicable, be notified in advance.

2-5 Standby Power

No electric power sold by the Cooperative shall be used as reserve or standby service, or in any way in conjunction with any other source of power, without the Cooperative's prior written consent.

2-6 Resale of Power

Consumers shall not directly or indirectly resell any electric energy for any purpose, except that in the case of rental facilities, the cost of utilities may be included in the rent charged the tenant. Consumers shall not divert any electric energy regardless of source to other premises or use it for purposes other than those permitted by the bylaws, rules and regulations of the Cooperative, and by state or local laws, rules and codes.

2-7 Prior Debts

The Cooperative shall not be required to furnish service to an applicant who, at time of such application, is indebted to the Cooperative for service previously furnished applicant.

- 2-8 Request for same-day connection for existing service where no construction work is to be done
 - \$50.00 up until 2:00 p.m.
 - \$150.00 after 2:00 p.m.

2-9 Request for Line Construction Outside Normal Working Hours

In the event that a consumer requests construction of a new service during hours other than 7:00 a.m. to 4:30 p.m., Monday through Thursday, 7:00 a.m. to 3:30 p.m. on Friday, or on holidays such consumer will be required to pay an Overtime Construction charge in accordance with the following schedule:

- A. Where work can be done with on-call personnel in approximately one (1) hour -
 - \$200.00
- B. Where work will require more than one (1) hour -
 - Actual construction cost computed in accordance with the Cooperative's accounting system

3. SERVICE CONNECTIONS, MEMBER WIRING & MEMBER EQUIPMENT

3-1 Service Connections

The Cooperative will furnish and install only one service drop to a metered point. The consumer must furnish a point of attachment for the Cooperative's service facilities that will meet the National Electrical Code, the Cooperative's requirements, and any state or local laws, codes or ordinances.

The point of attachment furnished by the consumer must be located at a point where the Cooperative facilities can be constructed at reasonable cost, and in accordance with good engineering practices. The consumer will retain ownership of the meter base and be responsible for the maintenance required to keep the meter base in a safe condition. The Cooperative reserves the right to designate the location of the point where attachments and meters will be located.

The Cooperative's responsibility for installation and/or maintenance of service facilities shall not extend beyond the point of attachment to the consumer's building, central distribution point, or the electric power consumption measuring device (Exception: Refer to Section 3-3-B).

No more than one residence may be served through one meter, except that apartments and mobile home parks may be served through a central meter where the cost of utilities is included in the rent charged the occupants.

Should the consumer request, the Cooperative may, at its option, install facilities in excess of the minimum requirements provided for in this policy. Any such additional service facilities will be furnished on a direct cost plus appropriate overhead charges.

All service facilities and equipment constructed and installed by the Cooperative shall remain the sole property of the Cooperative and shall not become part of the property or premises to which said facilities are attached or on which said facilities are constructed.

3-2 General Wiring Requirements

Each consumer shall cause all premises receiving electric service pursuant to his/her membership to become and to remain wired in accordance with the specifications of the National Electric Code, the Cooperative, any applicable state authority, and in accordance with the limitation of municipal and/or county authorities having jurisdiction. Each consumer shall be responsible for, and shall indemnify the Cooperative and any other person against injury, loss or damage resulting from any defect in or improper use or maintenance of, such premises and all wiring and apparatus connected thereto or used thereon. In no event shall the responsibility of the Cooperative extend beyond the point at which its service wires are attached either to the meter base or weatherhead.

3-3 Member Equipment

A. Electric Motors

The Cooperative should always be consulted on motor installations. The maximum permissible size depends upon the consumer's location on the distribution system and the capacity of the circuit.

It is the characteristic of most electric motors to draw a heavy momentary current when starting, resulting in many cases in variation of the voltages supplied to the other consumers who receive service from the same circuits or transformer. It is therefore necessary that the Cooperative limit the amount of starting current which may be drawn by a motor.

All motors should be provided with devices that will protect the motor against overload or short circuit. All three-phase motors shall have overload devices on each of the three-phase wires to insure proper protection for the motor. Motors that cannot be safely subjected to full voltage at starting should be provided with a device to insure that, on the failure of the supply voltage, the motor will be disconnected from the line.

The direction of phase rotation and continuity of all three-phase current are guarded with great care, but the Cooperative cannot guarantee against accidental or temporary change of phase; therefore, motors or other apparatus requiring unchanged phase rotation and continuity of three-phase supply shall be equipped with suitable protection against such reversal or phase failure.

B. Electric Generators and Distributed Generation

Where auxiliary, standby service or distributed generation is installed by the consumer, parallel operation of the consumer's generating equipment with the Cooperative's system will not be allowed. A double throw switch must be used to prevent possible injury to the Cooperative personnel by making it impossible for power to be fed back into the main line from the generator. Distributed generation includes solar, wind, hydro or other similar electric generating equipment. These installations must be approved by the Cooperative's engineering department. Billing terms and conditions are described in Rate Schedule COGEN 2010.

In diversified farm operations where there is more than one building or operation served from one metering point, the double throw switch and related switching gear may be installed by the consumer at the central metering location in line with the Cooperative's service facilities. Service laterals may be installed to individual points of attachment by the Cooperative if economically feasible and in compliance with good engineering practices. All such installations must be designed and approved by the Cooperative's engineering department.

C. Electric Welders and Miscellaneous Devices

Consumers desiring to operate electric welders or other devices with high inrush or fluctuating currents must supply the Cooperative with information regarding the electrical characteristics of the equipment. Service will not be allowed to equipment which adversely affects the Cooperative's equipment or the service to other consumers.

The Cooperative must be consulted before the purchase or installation of the equipment.

D. Consumer Responsibility for Protective Devices

All protective devices required by these regulations shall be provided by the consumer and at the consumer's sole expense.

3-4 Power Factor Corrections

The maintenance of high power factor is of primary importance in the economic operation and maintenance of the distribution system. Under-loaded motors contribute largely to the creation of low power factor unfavorable to both the Cooperative and the consumer.

Where the overall power factor of the consumer's load is less than 90 percent lagging, the Cooperative may require the consumer to install at his/her own expense, the equipment to

correct the power factor. The Cooperative reserves the right to measure the power factor at any time.

3-5 Phase Load Balance

When multi-phase service is furnished, the consumer will at all times maintain a reasonable balance of load between the phases.

4. CONSUMER CLASSIFICATIONS

4-1 Residential and Farm Service

This schedule is applicable to residential (including apartments) and farm consumers for use in the home and on the farm. Buildings or facilities incidental to residential or farm use may be billed from a single meter or from individual meters at the option of the consumer. This rate is prohibited to all entities selling goods and services to the ultimate consumer.

Each residential unit or facility must be individually metered and no more than one family unit may be served from one meter with the exception of apartments and mobile home parks as set forth in Section 3-1 above.

When a consumer has his/her residence and a business on the same meter, the consumer will be classified under either the Residential Rate or the General Service Rate determined by which is responsible for the major portion (over 50 percent) of the load. The Cooperative reserves the right to observe and measure the load involved in determining which rate should apply.

4-2 General Service

This schedule is applicable to commercial, industrial, public buildings, and other consumers including temporary service, for all uses including lighting, heating and power.

All service under this classification which is in excess of 50 KVA of installed transformer capacity or which requires a special minimum bill shall be provided under written contract with the consumer.

4-3 Industrial Service

This schedule is applicable only for industrial power service requiring 900 KVA or above of installed capacity and which is used in the manufacture of a finished product, the extraction, fabrication or processing of a raw material, or the transportation or preservation of a raw material or a finished product.

All service under this classification shall be provided under written contract with the consumer.

4-4 Outdoor Lighting Service

This schedule is applicable only to outdoor lighting lamp fixtures and poles conforming to the seller's specifications for dusk to dawn lighting. Service will be rendered only at locations that, solely in the opinion of the seller, are readily accessible for maintenance.

Service under this schedule shall be for a minimum of one year, and thereafter until terminated by either party on thirty days written notice, but the Cooperative may require a contract of original term to five years, and may require an advance payment up to one-half of the estimated revenue for the term of the contract.

4-5 Rate Schedule Availability

When two or more rates are available for certain classes of service, the conditions under which each is applicable to the requirements for the individual consumer are plainly set forth in the above consumer rate classifications and in the Cooperative's published rate schedules. The choice of such rates lies with the consumer.

The Cooperative will at any time upon request advise any consumer as to the rate best adapted to existing or anticipated service requirements as defined by the consumer, but the Cooperative does not assume responsibility for the selection of such a rate or for the continuance of the lower annual cost under the rate selected should the volume or character of service change.

A consumer having selected a rate adapted to his/her service may not change to another rate within a 12-month period unless there is a substantial change in the character or conditions of his/her service. A new consumer will be given reasonable opportunity to determine his/her service requirements before definitely selecting the most favorable rate therefore.

4-6 Filing of Rate Schedules

A copy of the Cooperative's applicable retail rates shall be on file at the Georgia Public Service Commission, and will be provided at any office of the Cooperative.

5. METERING

5-1 Electric Meters

All meter bases including temporary services shall be installed on an exterior surface as nearly as possible at eye level, and in no case more than five feet or less than thirty inches above finished grade. Upon receipt of the application for service, a representative of the

Cooperative will survey the premises to be served and will designate the location of the point where the meter will be installed. The consumer will provide and retain ownership of the meter base and be responsible for the maintenance required to keep the meter base in a safe condition.

Central meter pole service may be provided upon request where such installations may be necessary to adequately supply power to the served premises. The meter pole shall be provided by the Cooperative.

Meter bases not purchased from the cooperative must be approved by the cooperative. For large single phase installations of over 200 amps and for all three phase installations, the Cooperative shall specify the type of metering equipment required before installation of same.

In case of new line construction requiring the relocation of the meter, said relocation shall be at the expense of the Cooperative. In cases of remodeling by consumer where meter will be enclosed, and not accessible to the Cooperative, the consumer will bear the expense of relocating the meter to an accessible location.

All meters, other than CT meters, which are installed on any poles must have a disconnect located directly under the meter. This disconnect may be either a breaker or fuse type but in no case shall it be of less capacity than the main disconnect located inside the premises being served.

All meters shall be placed ahead of all switches and fuses unless otherwise agreed to by the Cooperative.

5-2 Meter Readings

Electric meters of the Cooperative shall be read monthly on a pre-arranged schedule. Reading dates may vary slightly from month to month due to weekends, holidays, weather conditions, and other factors.

Where a meter cannot be read on or about the scheduled date, the meter reading and corresponding use for the month will be estimated based on use by the consumer in previous months. Since meter readings are continuous from month to month, any error in such estimate will automatically be corrected in the next month when the meter is actually read.

The Cooperative shall not be obligated to make adjustments to accounts in subsequent months which were due to variations in meter reading dates or estimated readings which were beyond the control of the Cooperative.

5-3 <u>Incorrect Reading of Meter</u>

Corrections shall be made whenever meters are incorrectly read. The correct reading shall be ascertained whenever possible, and the bills will be recalculated as nearly as possible to reflect the correct usage.

5-4 Failure of Meter to Register Correctly

If a meter fails to register correctly, the consumer will be billed on an estimated consumption. Consideration will be given to consumption in months immediately preceding, consumption in similar periods of other years, comparative uses and sizes of connected loads, and other relevant facts. If the consumer disconnects service before full payment of the adjustment is received, the Cooperative will bill the consumer for the difference.

5-5 Meter Tests

The Cooperative will, upon request, test the accuracy of a consumer's meter upon the consumer paying a fee of \$50.00, said fee to be applied against the cost of the test. If the meter, upon testing is found to be more than 2 percent (plus or minus) in error, the fee shall be refunded to the consumer, and the consumer's bill will be adjusted as set forth in Section 6-2.

The Cooperative will make periodic tests and inspections of its meters in order to maintain the required standard of accuracy.

5-6 Separate Meter for Each Service

A separate meter shall be used at each separate premises for measuring electric service to each consumer except that apartments and mobile home parks may be served through a central meter where the cost of the utilities is included in the rent charged the occupants. Meter readings will not be consolidated for the same consumer at different premises, or for several consumers on the same or different premises. Each metered service shall be billed at a service schedule prescribed for the class of service, and service supplied through more than one meter at the same or different locations shall not be combined and billed under one service schedule.

6. BILLING

6-1 Billing Period and Payment of Bills

All consumers shall be billed monthly. Statements will be prepared and sent as soon as possible after the meter has been read.

Bills are due twenty-one days from the date of billing, provided such date is a normal workday for the Cooperative. If it is not, then the bill shall be considered due on the next regular day of work.

On the following month's bill, a disconnect date will be printed advising the consumer that he/she has until the close of business on that date to pay the bill in full to avoid disconnection.

Payment of electric bills may be made via any authorized payment option or in person at any Cooperative office. The mailing address for payments is Walton Electric Membership Corporation, P. O. Box 1347, Monroe, Georgia 30655, or in person at any of the Cooperative offices in Monroe, Snellville, or Watkinsville. Failure to receive electric statement does not release consumer from payment obligation.

6-2 Payments of Credit Cards

The Cooperative accepts payments by Visa, MasterCard and Discover. The Cooperative may charge the consumer a convenience fee for credit card payments that are less than \$9.00 per payment, or for more than five (5) payments per account made within the same month. The convenience fee will be billed, at the discretion of the Cooperative, to recover fees charged for processing minimum and/or multiple payments by credit card.

6-3 Adjustment of Bills

If a meter is found to be more than 2 percent in error (plus or minus) the Cooperative will rebill the consumer and adjust the consumer's bill. Each adjusted bill will be estimated based upon all known pertinent facts.

Whenever it is found that for any reason other than incorrect calibration the metering apparatus has not registered the true consumption, the consumer's consumption during the entire period of incorrect registration will be estimated, based upon all known pertinent facts, and the consumer's bill for such period will be adjusted accordingly.

6-4 <u>Late Fee, Collecting, Disconnection for Failure to Pay, Service Fee, and After Hours Service Fee</u>

Consumer accounts that remain unpaid as of the next bill will have a late fee added to the account balance equal to the greater of 5 percent of the arrears amount or \$20.00. Consumer accounts that have a previous unpaid balance which remains unpaid as of the disconnect date on the billing statement will be subject to disconnection.

All consumers whose service has been disconnected for failure to pay their bills in accordance with the provisions of Section 6-1 must make payment in certified funds, in person, over the phone or by Internet, during regular office hours (before 5:00 p.m.) in order to have the service connected that same day. Disconnected services, for which payments are received after regular office hours by any authorized payment option will

not be connected until the next business day. Payments will not be accepted in the field except during regular business hours.

The Cooperative reserves the right, at its own discretion, to install a device to disconnect and reconnect a consumer's electric service from a remote location. When a disconnection or reconnection is performed by a remote device, the consumer is not relieved from the additional charges listed in this section. For the purposes of tampering, as described in Section 6-5, the disconnect/reconnect device is considered as part of the meter and is owned by the Cooperative.

Factors that the Cooperative will use to determine the need for a remote disconnect/reconnect device include the consumer's payment history, difficulty in accessing the meter, or any other factor that the Cooperative may deem important to ensure the safety of its field representatives.

All consumers whose service has been disconnected for failure to pay their bills in accordance with the provisions of Section 6-1 shall be required to pay the delinquent account, plus the following:

- A. A service fee of \$30.00
- B. Any meter investigation fees, if assessed
- C. Any special service fees, if assessed
- D. Consecutive Trip fees of \$30.00 per trip
- E. Reconnect Service fee of \$30.00

Additional service fees will be charged for each consecutive trip required by the account.

Special service fees may be assessed for any service work performed, at the sole discretion of the Cooperative, outside of normal business hours. Fees are based on a rate of \$150.00 per hour with a one hour minimum.

The Cooperative will not be liable for loss or damage to any consumer's equipment or property caused by disconnection for failure to pay.

6-5 Other Reasons for Disconnection

- A. <u>Service may be disconnected immediately and without notice for the following reasons:</u>
 - 1. Discovery of meter tampering.
 - 2. Diversion of electric current.

- 3. Use of power for unlawful reasons.
- 4. Discovery of a condition determined by the Cooperative to be hazardous.
- 5. Refusal of access to consumer's meter or if access thereto is obstructed or hazardous.
- 6. Fraudulent activity; including unauthorized reconnection.

If no immediate safety hazard exists, every effort will be made to give reasonable notice before disconnection.

- B. <u>Electric service will be reconnected in the above cases under the following conditions:</u>
 - 1. Correction of infraction.
 - 2. Payment for any unmetered current if applicable.
 - 3. Payment of applicable reconnect fee.
 - 4. Payment of a \$100.00 first offense meter investigation charge, additional \$100.00 accumulative charge thereafter, plus the cost of restoring service, in case of A1 or A2 above.
 - 5. Member must agree to comply with reasonable requirements to protect Cooperative against further infractions.
 - 6. Payment for any damages to Cooperative property.
- C. Service may be disconnected, but only after notice and reasonable time to correct any infraction has been allowed, for the following reasons:
 - 1. For violation of and/or non-compliance with any applicable state or other local laws, regulations and codes pertaining to electric service.
 - 2. For non-compliance with bylaws, rules and regulations of the Cooperative.

Electric service disconnected for above reasons will be reconnected upon correction of infractions under same conditions as if consumers had requested disconnection.

The Cooperative will not be liable for loss or damage to any consumer's equipment or property caused by disconnection for failure to pay.

6-6 Returned Payments

A. Non-Delinquent Accounts

When a payment received for a consumer's non-delinquent account is returned unpaid by the financial institution for any reason (not the fault of the Cooperative), the Cooperative will notify such consumer by letter allowing five (5) working days for payment. A charge of \$30.00 will be added to the consumer's account to cover the additional cost involved in processing the returned payment.

B. Delinquent Accounts

Returned payments received for a consumer's delinquent account, deposit, or transferred balance may be field collected or disconnected immediately regardless of the customer having received a letter allowing five (5) working days for payment. A \$30.00 charge for processing the payment plus a \$30.00 charge for each trip to collect, plus the amount of the payment, shall be paid in full with cash, money order, or certified funds, or service may be disconnected.

6-7 Extension of Credit

The Cooperative may deviate from its policy on cut-offs for delinquent bills only in accordance with the following standards:

- A. When it is determined that enforcement of the policy will constitute an undue hardship in relation to the amount of the delinquent bill, or that extension of credit for a fixed time, or arrangement for installment payment of the bill will not unduly impair the Cooperative's ability to effectuate final collection of the bill; or
- B. When the member involved establishes to the satisfaction of the Cooperative that his/her failure to pay the bill has resulted from some mistake on the Cooperative's part or some mistake for which the member was not responsible; or
- C. When the involved bill covers service to a farm, house or other residential account and the main building thereof has been destroyed by natural disaster or by fire not caused by act of arson on the part of the member or his/her family; or
- D. When to disconnect service might pose immediate danger to the member or other persons due to illness or when the household is immediately and directly affected by a death; or

- E. When it is determined that the consumer has maintained a high credit rating with the Cooperative and the risk involved in extending the credit will not jeopardize the ability of the Cooperative to collect the full amount of the bill.
- F. When it is determined by the Cooperative that the temperature may be too low or too high where loss of electric power may potentially pose a serious health risk to the consumer.

6-8 Levelized Billing

A member may be offered the option with the Cooperative's approval to use a payment method which has the effect of a levelized bill. An additional security deposit may be required based on the member's past payment history. Details of this billing method are available upon request.

7. EASEMENTS, RIGHT OF ACCESS AND COOPERATIVE PROPERTY

7-1 Member to Grant Easements to Cooperative

Each consumer shall, upon being requested to do so by the Cooperative, execute and deliver to the Cooperative grants of easement or rights-of-way over, on, and under such lands owned by the consumer, and in accordance with such reasonable terms and conditions, as the Cooperative shall require for the furnishing of electric service to him/her or other consumers or for the construction, operation, maintenance or relocation of the Cooperative's electric facilities.

7-2 Right of Access

Cooperative's identified employees and representatives shall have the right of peaceable access to consumer's premises at all reasonable times for the purpose of reading meters, inspecting, testing, repairing, removing, maintaining or exchanging any or all equipment and facilities which are the property of the Cooperative, investigating possible tampering and/or power diversion and for the purpose of collecting unpaid past due amounts. Failure to allow peaceable access may result in the assessment of service fees to recover any additional costs due to inability to access property.

7-3 <u>Cooperative Property</u>

All meters, service connections, and other equipment furnished by the Cooperative shall be, and remain, the property of the Cooperative. The consumer shall exercise proper care to protect the property of the Cooperative on his/her premises and, in the event of loss or damage to the Cooperative's property arising from neglect of the consumer to care for same, the cost of necessary repairs or replacement shall be paid by the consumer.

No person or organization shall install or attach any wire, signs, or other material or equipment to any of the Cooperative's poles, conductors or other fixtures, except with the expressed written consent of the Cooperative.

8. GENERAL CONDITIONS FOR MEMBER WITHDRAWAL

A member may voluntarily withdraw in good standing from membership upon compliance with the generally applicable conditions set forth following:

- A. Payment of any and all amounts due the Cooperative, and cessation of any non-compliance with his/her membership obligations, all as of the effective date of withdrawal; and either
 - 1. Removal to other premises not furnished service by the Cooperative; or
 - 2. Ceasing to use any central station electric service whatever at any of the premises to which such service has been furnished by the Cooperative pursuant to his/her membership.
- B. Giving the Cooperative three working days notice in person, by phone, or in writing provided such notice does not violate contractual obligation. The consumer is responsible for all energy used at this meter location until such proper notice of desire to discontinue service has been given the Cooperative.

Upon such withdrawal, the membership fee and any applicable service fees and deposits then held by the Cooperative will be refunded or applied against any unpaid balance owed the Cooperative.

9. MISCELLANEOUS

9-1 Office and Service Hours

The Cooperative's Headquarters Office is at Monroe, Georgia. Additional offices are located in Snellville, Georgia, and Watkinsville, Georgia. All offices are open for business between the hours of 8:00 A. M. and 5:00 P. M. Monday through Friday. The call center is open for business from 7:00 A.M. to 7:00 P.M. Monday through Friday.

Routine and regular service work shall be performed during the hours of 7:00 A.M. and 4:30 P.M. Monday through Thursday and 7:00 A.M. to 3:30 P.M. on Friday only, except that no routine and regular service work will be performed on holidays observed during this period.

Emergency service work is performed 24 hours a day, seven days a week.

Service personnel may be reached by calling Monroe, 770-267-2505; Snellville, 770-972-2917; Watkinsville, 706-769-5622; or 1-800-342-6582.

9-2 <u>Scheduled Outages</u>

Although the greater part of the Cooperative's line maintenance and repair work is done with lines energized, there exist requirements for outages due to some work on lines. Such work shall be done, as far as possible, at a time that will cause the least inconvenience to the consumers. The consumers to be affected by such interruptions shall, if practicable, be notified in advance.

9-3 Line Facilities Relocation

The Cooperative will cooperate with all political subdivisions in the construction, improvement or rehabilitation of public streets and highways. It is expected that these political subdivisions will submit to the Cooperative an engineering plan of the proposed construction and will give reasonable notice to permit the Cooperative to relocate its lines to permit the necessary road construction. The Cooperative's engineer will cooperate with the political subdivision's engineer when the proposed road construction is being considered in order that both the political subdivision and the Cooperative can work out the relocation of the Cooperative's facilities to the mutual benefit of both parties.

If the Cooperative's poles, anchors, or other appurtenances are located within the confines of the public right-of-way, the Cooperative shall make the necessary relocation at its own expense; if the Cooperative's poles, anchors and other appurtenances are located on private property, the political subdivision shall then agree to reimburse the Cooperative for any costs involved in relocating its facilities unless one or more of the following conditions are met:

- A. The relocation is made for the convenience of the Cooperative.
- B. The relocation will result in a substantial improvement in the Cooperative's facilities or their location.
- C. That the relocation is associated with other regularly scheduled conversion or other construction work and can be done at the same time.

When the Cooperative is requested to relocate its facilities for other than road improvement, any costs involved will be paid for by the firm, person or persons requesting the relocation unless one or more of the above conditions are met.

9-4 Retirement of Idle Services

Idle services may be retired in cases where such services have not been active for a period of at lease twelve (12) consecutive months and when in the opinion of the Cooperative the dwelling to which it is attached is not inhabitable.

Such retirements shall be accomplished in a manner which will maintain labor and transportation costs at a minimum.

No service shall be retired when there is a possibility that such retirement will have an adverse effect on the territorial integrity of the Cooperative.

9-5 No Prejudice of Rights

The failure by the Cooperative to enforce any of the terms of these Service Rules and Regulations shall not be deemed as a waiver of the Cooperative's right to do so.