

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 1
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

301. Application for Electric Service.

301.1 Application Required.

Any person desiring to receive electric service from the Cooperative shall apply for such service by properly completing and filing an Electric Service Agreement, the form of which has been approved by an appropriate regulatory authority and is contained in these tariffs. A separate Electric Service Agreement is required for each location where delivery of electric energy is desired, whether or not for initiation or renewal of service or otherwise. An Electric Service Agreement is filed when it is received by an appropriate Cooperative employee at any office of the Cooperative.

The Electric Service Agreement must be in the true name of the person desiring to receive electric service. The Cooperative may require suitable identification.

301.2 Membership in the Cooperative.

If applicant is not a Customer of the Cooperative, applicant shall properly complete and file an application for membership. The filing of an application for membership shall be accompanied by the payment of one (1) membership fee not to exceed \$25.00.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 2
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

301.3 Offer to Purchase Electric Service.

Upon compliance with the provisions of Section 301.1 and 301.2, applicant has made an offer to purchase electric energy from the Cooperative, the terms of which are contained in the Electric Service Agreement, these tariffs, the Articles and Bylaws, and any applicable easement.

302. Establishment of Credit.

At any time before applicant's offer to purchase electric service is agreed to by the Cooperative, the Cooperative may require applicant, regardless of the type of service applied for, to demonstrate and satisfactorily establish credit in such form and manner as may be prescribed by the Cooperative. The satisfactory establishment of credit shall not relieve the applicant from complying with tariff provisions for prompt payment of bills. Notwithstanding any provision of these rules to the contrary, the following rules shall apply to the establishment of credit.

302.1 Establishment of Credit for Permanent Residential Applicants.

An applicant for permanent residential service may satisfactorily establish credit and shall not be required to pay a deposit:

A. Payment History.

If it is undisputed that applicant has been a customer of a utility providing electric service within the last two years and is not delinquent in the payment of any such utility service

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 3
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

account and during the last twelve (12) consecutive months of service did not have more than two occasions in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment;

or

B. Guarantee.

If the applicant for permanent residential service furnishes in writing a satisfactory guarantee to secure the payment of bills for electric service;

or

C. Senior Citizens.

If the applicant for permanent residential service is sixty-five (65) years of age or older and does not have an outstanding account balance with the Cooperative or another utility providing electric service which accrued within the last two (2) years;

302.2 Security Deposit.

If the credit of an applicant for any type of service has not been established satisfactorily to the Cooperative, the applicant may be required to make a deposit.

302.3 Amount of Deposit for Permanent Residential, Commercial, Industrial Service and Irrigation.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 4
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

The required deposit for permanent residential or commercial or industrial service or irrigation shall not exceed an amount equivalent to one-sixth (1/6) of the annual billings as estimated after discussion of usage history with the Cooperative's personnel.

302.4 Increase in Deposit Within First 12 Months of Service.

During the first 12 months of service, if actual usage is three times estimated usage (or three times average usage of most recent three bills) and current usage exceeds \$150, and 150% of the security held, a new deposit requirement may be calculated and an additional deposit may be required to be made within 10 days after issuance of written notice of termination and requested additional deposit, or, in lieu of additional deposit, the member may elect to pay the current usage within 10 days after issuance of written notice of termination and requested additional deposit.

302.5 Increase in Deposit for Commercial and Residential Member.

If actual billings of a commercial member are at least twice the amount of the estimated billings, and a suspension notice has been issued on a bill within the previous 12 month period, a new deposit may be required to be made within 15 days after issuance of written notice of termination and requested additional deposit. In lieu of additional deposit, the member may elect to pay the current bill by the due date of the bill, provided the member has not exercised this option in the previous 12 months.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 5
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

If actual billings of a residential member are at least twice the amount of the estimated billings after two billing periods, and a suspension notice has been issued on a bill within the previous 12 month period, a new deposit may be required to be made within 15 days after issuance of written notice of termination and requested additional deposit. In lieu of additional deposit, the member may elect to pay the current bill by the due date of the bill, provided the member has not exercised this option in the previous 12 months.

302.6 Temporary or Seasonal Service and for Weekend Residences.

The Cooperative may require an applicant for temporary service or seasonal service or service to weekend or intermittent use installations to pay a deposit sufficient to reasonably protect the Cooperative against the assumed risk for any of such services.

302.7 Reestablishment of Credit.

Every applicant who previously has been a member of the Cooperative and whose service has been discontinued for nonpayment of bills or meter tampering or bypassing of meter shall be required, before service is rendered, to pay all amounts due the Cooperative or execute a deferred payment agreement, if offered, and reestablish credit. The burden shall be on the utility to prove the amount of utility service received but not paid for and the reasonableness of any charge for such unpaid service, as well as all other elements of

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 6
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

any bill required to be paid as a condition of service restoration.

303. Cooperative Action on the Application.

The Cooperative shall consider the offer to purchase electric service and act upon it within a reasonable time by either granting the application (conditionally, subject to these Service Rules and Regulations) or refusing service in accordance with this tariff.

303.1 Granting Application.

The Cooperative may grant an application by having its authorized officer or employee sign the Agreement For Electric Service on behalf of the Cooperative; or making electricity available at Customer's service location.

303.2 Refusal of Service.

The Cooperative may refuse service if:

A. Credit.

Customer has failed or refused to satisfactorily establish credit;

or

B. Fulfillment of Conditions Precedent.

If Customer has failed or refused within a reasonable time to fulfill any condition precedent to performance (see Section 304.2);

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 7
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

or

C. Indebtedness.

If Customer has failed or refused to pay any indebtedness to any utility having previously provided applicant with electric service;

or

D. Membership.

Customer has failed or refused to pay the membership fee or qualify for membership in the Cooperative in accordance with the provisions of law and the Articles and Bylaws of the Cooperative;

or

E. Hazardous Condition.

If it has come to the Cooperative's attention that Customer's installation or equipment is hazardous or of such character that satisfactory service cannot be given;

or

F. False Name or Other Artifice.

Customer or prospective Customer uses an alias, trade name, business name, the name of a relative or another person or other artifice to avoid payment of electric service bills.

303.3 Insufficient Grounds for Refusal to Serve.

The following shall not constitute sufficient cause for refusal of

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 8
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

service to a present customer or applicant:

- A. Delinquency in payment for service by a previous occupant of the premises to be served; or
- B. Failure to pay for merchandise, or charges for non-utility service purchased from the Cooperative; or
- C. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six months prior to the date of application; or
- D. Violation of the Cooperative's rules pertaining to operation of nonstandard equipment or unauthorized attachments which interferes with the service of others, or other services such as communication services unless the customer has first been notified and been afforded reasonable opportunity to comply with the rules; or
- E. Failure to pay a bill of another customer as guarantor thereof, unless the guarantee was made in writing to the Cooperative as a condition precedent to service; or
- F. Failure to pay the bill of another customer at the same address except where the change of customer identify is made to avoid or evade payment of a utility bill. A customer may request a supervisory review if the Cooperative determines that the evasion has occurred and refuses to provide service.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 9
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Customer requests for electric service of the character and type provided by Cooperative are granted within the limitations of the applicable rate schedule for electric service, the availability of Cooperative facilities, the characteristics of Customer's electrical load and these Service Rules and Regulations.

Cooperative may require special contractual arrangements, which may include additional charges under this tariff, prior to Cooperative's providing electric service if the electric service requested by Customer is not available at the service location or is other than that which Cooperative usually provides.

The grant of an application shall operate as an acceptance of Applicant's offer to purchase electric service. Any Customer taking electric service from Cooperative, in consideration of the Cooperative's supplying electric service and regardless whether or not such Customer has made application for such electric service, is bound by these Service Regulations and is liable to Cooperative for payment for such electric service under the applicable rate schedule.

304.1 Terms of Contract.

The terms of the contract are the provisions of the Electric Service Agreement (including this tariff), any applicable easement, and the Articles and Bylaws of the Cooperative.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 10
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

304.2 Conditions to be Fulfilled by Applicant or Customer Prior to the Rendition of Service.

As conditions precedent to the performance or obligation to perform any part of the contract for electric service by the Cooperative or the provision of any electric service; Customer shall:

A. Comply with the Law.

Customer warrants to the Cooperative that he or she has complied with all Federal, State, County, and Municipal regulations governing the service applied for and shall remain in compliance. The Cooperative does not undertake to determine if Customer is in compliance with the law and the provision of service shall not be construed as any indicia of compliance; however, the Cooperative may require a copy of any approval required by law, ordinance or regulation prior to the provision of service;

and

B. Comply with Service Rules.

Applicant/Customer shall comply with the Service Rules and Regulations of the Cooperative governing the service applied for;

and

C. Customer's Installation.

Customer warrants to the Cooperative that Customer's installation is constructed in accordance with the applicable versions of the National Electric Code, National Electric Safety

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 11
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Code, American National Standards Institute, Cooperative polices and procedures, as well as ordinances of jurisdictional authorities and will be maintained in such manner as to conform to such standards. The Cooperative does not undertake to determine if Customer's installation complies with such standards and the provision of service shall not be construed as any indicia of compliance; however, should it come to the attention of the Cooperative that Customer's installation does not conform to such standards, Customer may be required to conform prior to the provision of service or the Cooperative may discontinue service;

and

D. Easement.

Applicant/Customer shall grant or secure to the Cooperative at Customer's expense an easement, the form and content of which is satisfactory to the Cooperative. In the event the Applicant/Customer is not able to secure an easement acceptable to the Cooperative after reasonable attempts and the Cooperative acquires an easement, then Customer shall reimburse the Cooperative all costs;

and

E. Construction Costs.

Applicant/Customer shall fulfill all obligations for the payment of construction costs in the manner prescribed in service rules and regulations governing line extension.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 12
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

304.3 Assignment of Contract.

The Customer shall not assign the Contract except by written consent of the Cooperative or in compliance with the Articles and Bylaws of the Cooperative. The Contract shall inure to the benefit of the Cooperative's assigns.

304.4 Modification by the Parties.

The contract for electric service may be modified or terminated by the agreement of both the Cooperative and the Customer only if such agreement is made in writing and signed by both parties.

305. Line Extension.

The Cooperative shall exercise prudent judgment in determining the conditions under which a specific line extension will be made and shall view each case individually, considering the following:

- 1) Cost to provide the service
- 2) Longevity of the load
- 3) Annual load factor
- 4) Possibility of other loads developing nearby or along the proposed line extension
- 5) Anticipated annual revenues
- 6) Compatibility with planned system improvements

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 13
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

With these factors, the Cooperative shall make a simplified rate-of-return study. The rate-of-return study is a method used to model the anticipated revenues and expenses related to the line extension for a new load. Among the six factors mentioned above, the cost to provide service is determined by first computing the latest annual operating expenses as a percentage of utility plant and applying the percentage to the cost of the line extension. The Cooperative would review with the applicant the estimated load, KWh sales, and longevity of the load.

Upon the result from the study, the Cooperative can determine whether special contractual arrangements need to be made with customers. These special arrangements may be a contribution-in-aid-of-construction, an advance for construction, or special, monthly or annual minimums expressed in demand and KWh, or dollars of revenue, or a combination of these. If the Cooperative's estimated expenses for the service are larger for the applicant than for the active customers, the customer is required to pay a contribution to the cost of the construction or be charged additional periodic fees. The applicant's share of the line extension cost may be reduced if there is possibility of additional load or if the construction coincides with planned improvements.

Generally, no charges shall be made to extend overhead single-phase 120/240 v service to Customer. In sparsely populated rural areas, occasionally a contribution-in-aid-of-construction, or advance for construction may be required where several spans are to be built to reach Customer.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 14
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Generally, all Customers who require two-way feeds, special switching, underground service, or any nonstandard facilities other than a sufficient standard overhead radial feed shall be required to reimburse the Cooperative for the estimated difference-in-cost above that of standard service.

When the Cooperative is required to serve a load which is "short-term" (i.e., temporary service that is supplied for less than 12 months), the Cooperative shall be reimbursed for the estimated cost of building the required facilities, plus the cost of removing the facilities, less salvage.

Line extensions are made in accordance with RUS's area of coverage concept. In no event shall any line extension charge be made to a permanent residential Customer unless actual cost exceeds the average utility plant investment per existing customer at the end of the latest calendar year.

Point of Delivery.

The Cooperative extends its electric facilities only to the point of delivery. Customer shall install and be solely responsible for wiring of the installation and all service entrance wiring through the weatherhead and the meter base to customer's main disconnect switch or service center.

305.1 Ownership of Distribution Facilities.

The Cooperative shall retain the ownership of all material and facilities installed by the Cooperative for the distribution of

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section	Sheet No.
		III	15
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

electric energy whether or not the same have been paid for by the Customer. All lines and facilities constructed or installed by the Cooperative are the property of the Cooperative.

305.2 Refund of Prepayments for Electric Service.

Payments necessary for construction of facilities which will be used by the Customer are contributions in aid of construction and are not refundable.

305.3 Deferred Payment Plan.

The Cooperative may at its option enter into a deferred payment plan with customer for all or a portion of any amount required to be paid as aid to construction.

305.4 Relocation or Upgrade of Facilities.

The Cooperative will relocate its facilities on Customer's premises at Customer's request provided Customer has (1) provided a satisfactory easement for the new facilities; (2) paid in advance an estimate of all costs for the removal of the old facilities, less salvage value, and all costs for the construction of new facilities.

If the Cooperative determines it is necessary to move its facilities because customer fails or refuses to allow the Cooperative access to Cooperative's facilities at any time then Customer may be billed the actual cost of relocation. If Customer requests or Cooperative determines an upgrade of facilities is

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section	Sheet No.
		III	16
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

reasonably necessary, the Customer may be required to pay an amount not to exceed the actual cost of all construction.

306. Meters.

306.1 Location and Installation of Meter.

Meters and service switches in conjunction with the meter shall be installed in accordance with the applicable versions of the National Electric Code, National Electric Safety Code, American national Standards Institute, Cooperative policies and procedures, as well as ordinances of jurisdictional authorities and will be readily accessible for reading, testing and inspection, and where such activities will cause minimum interference and inconvenience to the Customer. Customer shall provide, without cost to the Cooperative, at a suitable and easily accessible location: (1) sufficient and proper space for installation of meters and other apparatus of the Cooperative, (2) meter board, (3) meter loop, (4) safety service switches when required and (5) an adequate anchor for service drops at the Cooperative's option, (6) proper grounding for metering. the Cooperative may install the meter loop and charge the Customer the actual cost of installation. All meters installed after July, 1980 shall be located as set forth herein, provided that, where installations are made to replace meters removed from service, this section shall not operate to require any change in meter locations which were established prior to July, 1980, unless the Cooperative finds that the old location is no longer suitable or proper, or the Customer desires that the location be changed. Where the meter

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 17
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

location on the Customer's premises is changed at the request of the Customer, or due to alterations on Customer's premises, the Customer shall provide and have installed at his expense, all wiring and equipment necessary for relocating the meter.

306.2 Type of Meter and Ownership of Meter.

The Cooperative shall provide, install, own, and maintain all meters necessary for the measurement of electrical energy. Such meters shall be of a standard type which meets industry standards, however, special meters not conforming to such standards may be used for investigation or experimental purposes.

306.3 Limitation of Service from Single Meter.

One residence and one residence only may be served from one meter. Each meter shall require either a membership in the Cooperative or an auxiliary service. No business shall be served off a meter serving a residence, unless the residence and business are combined under a single roof.

307. Point of Delivery.

Customer shall designate the location he or she desires to receive electric energy and shall provide service entrance conductors and any receptacle needed for the receipt of electric energy.

The point of delivery of electric energy is the point where the Member's

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 18
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

service entrance conductors are connected to the Cooperative's conductors. Such point shall be outside the Customer's installation or structure(s) at a location which will facilitate connection in accordance with the National Electrical Safety Code and standard operating practices of the Cooperative.

308. Initiation of Service.

Electric service is provided to qualified applicants in the Cooperative's certificated area who have satisfactorily established credit and fulfilled all conditions precedent. Normally, as a service objective, the Cooperative attempts to make service available within the following guidelines:

- A. Within seven (7) working days if no line extension or new facilities are required.
- B. Within ninety (90) days for permanent residential service requiring a line extension.
- C. Extensions to other customer classes requiring line extensions may take longer than ninety (90) days.
- D. If a line extension is required by other than a large industrial or commercial electric customer or if facilities are not available, the Cooperative shall inform the customer within 10 working days of receipt of the application, giving the customer an estimated completion date.
- E. Any construction cost options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants shall

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 19
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

be explained to the customer following assessment of necessary line work.

320. Electric Energy.

320.1 Delivery of Electric Energy. If Applicant/Customer has satisfied all conditions and performed all obligations contained in the foregoing service rules, the Cooperative shall provide electric energy to Customer at the point of delivery. The Cooperative may limit the amount of electric energy furnished.

320.2 Characteristics of Electric Energy.

A. Voltage.

The Cooperative adopts the following standard voltages for distribution:

<u>Single Phase</u>	<u>Three Phase</u>
120/240	120/208
240/480	120/240
	240/480
	277/480

Insofar as practicable the Cooperative maintains its standard voltages within the variations permitted by the Public Utility Commission of Texas. (See Substantive Rule 23.62(f)). Customer should obtain from the Cooperative the phase and

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 20
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

voltage of the service available before committing to the purchase of motors or other equipment.

B. Frequency.

The Cooperative provides alternating current at a standard frequency of 60 cycles per second. Except for infrequent and unavoidable fluctuations, the Cooperative maintains this standard frequency within one-tenth (1/10) of a cycle per second.

321. Method of Providing Service.

321.1 Overhead Service Drop.

Electric service is generally available to Customers throughout the Cooperative's service area from overhead distribution facilities. The Cooperative, however, may refuse to provide overhead service in any area where the Cooperative has or expects substantial investment in underground distribution facilities. To receive overhead service Customer must install a suitable bracket for attachment of Cooperative conductors in compliance with the National Electrical Safety Code.

321.2 Underground Electric Service.

Electric service from underground distribution facilities is available to Customers requesting such service. The Customer also

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section	Sheet No.
		III	21
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

must pay an amount based on the cost difference, if any, between overhead and underground electric service as estimated by the Cooperative. In areas served by the Cooperative's underground distribution system phase and voltage of electric service may be limited to that which can be provided from existing facilities. Underground conductors are usually connected to the Cooperative's overhead distribution facilities at a location outside the Customer's premises or at a suitable location on Customer's premises. The location and routing of underground distribution facilities is determined by the Cooperative. Before the installation of underground distribution facilities, Customer will complete rough site grading, establish final grade along conductor route, expose to view any underground installation including gas lines, water lines, wastewater lines, communication lines, etc., and clear the area of all obstructions. No change shall be made in the grade along the conductor route without the consent of the Cooperative. Any change in grade which requires lowering electrical conductors is at the expense of the Customer.

321.3 Mobile Home Parks.

In mobile home parks and similar installations the Cooperative provides electric service through individual meters to each space for each consuming facility. Either underground or overhead service may be provided.

321.4 Multi-Family Residences.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 22
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Electric service is provided through (1) individual meters for each living unit or (2) through one meter at each point of delivery for any number of living units. If option (2) is chosen, the Cooperative is not responsible for any submetering issues.

321.5 Connections at Point of Delivery.

The Cooperative makes connections of its conductors to Customer's conductors only at the point of delivery.

322. Continuity of Electric Service.

322.1 Reasonable Diligence.

The Cooperative uses reasonable diligence under standard utility practices to provide continuous and adequate service in accordance with the standards set forth in these rules.

322.2 Service Interruptions.

Service interruptions may occur. Customer is responsible for installing and maintaining protective devices as are recommended or required by the most current edition of the National Electrical Code and other such devices as are necessary or advisable to protect Customer's equipment or process during irregular or interrupted service including, but not limited to, voltage and wave form irregularities, or the failure of part or all of the electrical service. When interruptions do occur the Cooperative shall

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 23
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

re-establish service as soon as practicable.

The Cooperative may interrupt service to provide necessary civil defense or other emergency service in the event of a national emergency or local disaster. The Cooperative may also interrupt service as necessary for maintenance, repairs, construction, moving of buildings or oversized objects, relocation or changes of facilities, to prevent or alleviate an emergency which may disrupt operation of all or any portion of the Cooperative's system, to lessen or remove risk of harm to life or property, to aid in the restoration of electric service, and on occasions when the Cooperative's wholesale power suppliers, or any of them, fails to deliver sufficient power and/or energy to the Cooperative.

322.3 Service Irregularities.

Irregularities in service such as voltage surges may occur. Customer is responsible for installing and maintaining devices which protect his/her installation, equipment, and processes during periods of abnormal service conditions.

322.4 Investigation of Service Interruptions and Irregularities.

The Cooperative makes reasonable investigation of service interruptions and irregularities reported by a Customer. Such investigation normally terminates at the point of delivery. If standard service voltage exists at this point and the Cooperative's

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 24
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

service facilities are in good condition the Customer shall be so advised. The Cooperative shall not be obligated to inspect Customer's conductors, installation, or equipment.

322.5 Liability, Indemnity, and Disclaimer of Warranties.

A. Liability/Indemnity.

Cooperative is responsible for design, construction, operation, and maintenance of electric service facilities up to and including the Point of Delivery. Customer is responsible for design, construction, operation, and maintenance of Customer's installation beyond the Point of Delivery and has sole control and supervision over Customer's installation. It is particularly understood that the Customer assumes full responsibility for electric energy furnished to Customer at and past the point of delivery and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for damages including but not limited to injuries to any persons, including death resulting therefrom, and damages to property occurring upon the premises to the Customer arising from electric power and energy delivered by Cooperative whether or not caused by the negligence of the Cooperative except when the negligence of Cooperative or its agent or agents was the sole proximate cause of such injuries, death of persons or damages to property.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 25
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Except to the extent injuries or damage have been caused by the Cooperative's negligence or willful misconduct as provided in this section it is the express intention of Customer to indemnify the Cooperative for the consequences of its own negligence. Without limiting the foregoing, Cooperative is not and shall not be liable to Customer for damages occasioned by:

(A) irregularities or interruptions (of any duration), or failure to commence electric service, caused in whole or in part by (1) governmental or municipal action or authority, litigation, public enemies, strikes, acts of God (including weather and its resulting consequences), (2) an order of any Court or Judge granted in any bona fide adverse legal proceeding or action or any order of any commission or tribunal having jurisdiction in the premises, (3) situations or conditions described in the second paragraph of Section 322.2 of these Service Rules, (4) the absence, inadequacy or failure of protective devices which are the responsibility of the Customer, (5) inadequacy or failure of generation or transmission facilities, or (6) any other act or thing reasonably beyond the control of Cooperative or as may be authorized elsewhere in this Tariff For Electric Service; or (B) any interruption of service not occasioned by situations or conditions described in (A) above that has not existed continuously for beyond a reasonable period of time after notice to Cooperative, which reasonable period shall under no circumstances be less than twenty-four (24) hours or any interruption of service of greater than a

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 26
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

reasonable duration if the Cooperative has used reasonable diligence in attempts to restore electric service after the Cooperative is notified of such interruption.

Cooperative may perform voluntary or emergency acts to electric facilities which are the responsibility of the Customer but shall have no liability for damages or injuries resulting from said acts except to the extent that said damages or injuries are proximately caused by acts or omissions of the Cooperative which are found to be wanton or willful with the intent to cause injury.

In any claim or cause of action relating to the provision of electric service asserted by Customer or any other person against Cooperative, Cooperative shall not be liable for any consequential, special, or non-direct damages, including but not limited to loss of use of equipment, extra expense due to the use of temporary or replacement equipment, loss of electronic data or program, loss of business revenue, costs of capital, or any cost not part of necessary repair to or reasonable replacement of electric equipment whether the claim or cause of action is based upon contract, tort, negligence, products liability, or any other theory of recovery.

B. Disclaimer of Warranties.

COOPERATIVE MAKES NO WARRANTIES WHATSOEVER WITH

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 27
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

REGARD TO THE PROVISION OF ELECTRIC SERVICE AND DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

323. Customer's Receipt and Use of Electric Energy.

323.1 Receipt of Electric Energy.

A. Exclusive Use.

When electric service is available, Customer shall purchase from the Cooperative all electric energy and service required to be used by Customer from a single consuming installation.

Customer may not connect his lines to another source of electric energy in a manner that may permit electric energy to flow into Cooperative's system from such source without a written agreement with the Cooperative. For experimental purposes and to aid in the orderly development of additional sources of energy, and in conjunction with providing service under any rate in its tariff, Cooperative may permit non-fossil, Customer-produced electric energy to be fed back into Cooperative's system, provided that Customer has paid for the necessary added metering and protective equipment and provided that the Customer has complied with the provisions of Section

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 28
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

340.

B. Customer's Installation.

Customer shall at all times maintain his/her installation in accordance with the National Electrical Code as well as other applicable standards that may be imposed by law, ordinance or regulation.

C. Liability For Injury and Damages.

Customer assumes full responsibility for electric energy furnished to him at and past the Point of Delivery and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for both injuries to persons, including death resulting therefrom, and damages to property occurring upon the premises of the Customer arising from electric power and energy delivered by Cooperative except (i) when the negligence of Cooperative or its agent or agents was the sole proximate cause of injuries, including death therefrom, to Customer or to employees of a Customer or in the case of a residential Customer, to all Customers of the household; and (ii) as to all other injuries and damages, to the extent that injuries or damages are proximately caused by or result in whole or in part from (a) any negligence of Cooperative or its agent(s) independent of and unrelated to the maintenance of Cooperative's equipment or any condition on Customer's premises or (b) the breach by Cooperative of any provision of any contract for electrical energy, service or facilities between Cooperative and Customer.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 29
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

323.2 Customers Use of Electric Energy.

A. Permitted Uses.

Electric energy provided through Cooperative facilities shall be used by Customer exclusively for the purpose or purposes specified in the availability clause of the rate schedule under which Customer is receiving service and being billed.

B. Resale Prohibited.

Customer shall not resell electric energy unless specifically provided for in writing by the Cooperative.

C. Interstate Transmission of Electric Energy Prohibited.

The Cooperative does not provide electric service to any Customer's installation any part of which is located outside the State of Texas or is connected to any conductors, all or part of which is located outside the State of Texas. Customer shall not transmit electric energy provided by the Cooperative outside the State of Texas.

D. Uses Prohibited by Law.

Customer shall not use electric energy for any unlawful purpose or in such a manner that it may endanger life or property.

323.3 Customer's Electrical Load.

A. Load Balance.

Cooperative requires Customer to control the use of electric

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 30
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

energy so that Cooperative's electrical load at the point of delivery is in reasonable balance.

B. Allowable Motor Starting Requirements

Motors may be started across-the-line if the nameplate horsepower rating (which is the locked rotor current of the motor at nameplate voltage) does not exceed 50 horsepower and the frequency of starts does not exceed the limits given below:

Nominal <u>Nameplate Voltage</u>	<u>Phase</u>	Maximum Locked <u>Rotor Current*</u>
115-volts	single	50 amperes
230-volts	single	200 amperes
200, 230 or 460 volts	single	200 amperes

Larger across-the-line starting requirements than above may be permitted where Cooperative determines its facilities are adequate and the frequency of starts are such that other Customer's service will not be adversely affected. Any motor starting devices are to be of a type approved by Cooperative and are to be provided and installed by Customer.

*Groups of motors starting simultaneously are classed as one motor.

C. Intermittent Electrical Loads.

Electric service to equipment such as spot and arc welding

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section	Sheet No.
		III	31
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

machines, X-ray machines, arc-furnaces, elevators, dredges, locomotives, shovels, feed grinders, etc., whose use of electricity is intermittent and subject to violent fluctuations, is provided to such equipment as part of Customer's installation or by a transformer dedicated solely to that equipment and served as a separate account. Except for individual transformer type arc welders whose rated primary input current does not exceed 15 amperes at 120-volt operation or 30 amperes at 240-volt operation (38 amperes if Customer is served by an individual transformer), Customers contemplating the installation of such equipment are to make specific prior arrangements with Cooperative.

D. Equipment Necessary to Limit Adverse Effect.

Cooperative may require Customer to provide, at Customer's expense, suitable apparatus to limit the effect of voltage fluctuations caused by electric equipment in Customer's installation where Customer is found to be operating electrical equipment which produces voltage fluctuations, interference or distorted wave forms which adversely affect electric service provided by Cooperative to Customers.

In lieu of requesting Customer to install such suitable or special equipment limiting such adverse effect, Cooperative may, at its option, install at Customer's cost, additional transformer capacity (which may or may not be dedicated solely

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 32
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

to such Customer) or other equipment specially designed to reasonably limit such adverse effect.

E. Voltage and Wave Form Sensitive Equipment.

A Customer planning the installation of electrical equipment such as computers, communication equipment, electronic control devices, etc., whose performances may be adversely affected by voltage fluctuations and distorted 60 hertz wave forms are responsible for providing and installing the necessary facilities to limit these adverse effects.

F. Change in Customer's Electrical Load.

Customer shall notify Cooperative when Customer's electrical load is to be changed substantially in order that Cooperative may ensure its facilities are adequate.

323.4 Power Factor.

If the power factor of Customer's load is less than 90%, Cooperative may require Customer to install appropriate equipment to maintain a power factor of 90%, or at Cooperative's option, to reimburse Cooperative for installing the necessary equipment.

323.5 Access.

Customer will admit to Customer's premises at all reasonable hours

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 33
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

personnel authorized by Cooperative to inspect, install, remove, or replace Cooperative's property; to read Cooperative's meter; and to perform other activities necessary to provide electric service, including tree trimming and tree removal where such trees in the opinion of Cooperative constitute a hazard to Cooperative personnel or facilities, or jeopardize the provision of continuous electric service. Refusal on the part of Customer to provide reasonable access for the above purposes may, at Cooperative's option, be sufficient cause for discontinuance of service. Alternatively the Cooperative may move the metering location and other facilities and charge consumer the cost of relocating all facilities.

323.6 Protection of Cooperative's Facilities on Customer's Premises.

Customer shall use reasonable diligence to protect Cooperative personnel and facilities on Customer's premises.

In the event of loss of, or damage to, Cooperative facilities on Customer's premises caused by or arising out of carelessness, neglect, or misuse by Customer or unauthorized persons, Cooperative may require Customer to reimburse the Cooperative the full cost of such damage.

324. Billing.

The Customer shall be obligated to pay for the total amount of charges for electric service shown on the Customer's bill. Such charges shall be

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 34
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

computed in accordance with the Cooperative's latest rate schedule or schedules applicable to the class or classes of service furnished to Customer and these rules.

324.1 Determining Usage of Electric Energy.

Usage of electric energy (expressed as KWh) shall be determined by a meter reading. The meter reading is conclusive and establishes absolutely the amount of energy used unless it is shown by meter test that the meter was inoperative or inaccurate, in which case the meter reading shall be adjusted as provided in Section 324.4 of these rules. The meter reading shall not otherwise be adjusted. Electric energy usage is measured at the metering point regardless of whether or not it is the same as the point of delivery.

324.2 Meter Reading.

The Cooperative shall read meters monthly or designate meters to be read by Customers, if so advised by the Cooperative, allowing for exceptions as stated in Section 324.3. Customers are required to read the meter(s) on their premises monthly. If a Customer fails to report a meter reading for 3 consecutive months the Cooperative may read the meter and charge a trip fee. Unless specifically stated in the applicable rate schedule, all charges are based on a billing month. A billing month or billing period is the period between two consecutive meter reading dates and typically ranges from 28 to 33 days. The Cooperative may check the meter reading of any meter at

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 35
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

any time.

324.3 Estimated Billing.

Usage, as well as Demand, may be estimated by the Cooperative where there is good reason for doing so, such as inclement weather, inability to gain access, personnel shortage, etc., provided an actual meter reading is taken every three months. If the member in a customer-read program does not report a meter reading to the Cooperative in time for billing, the Cooperative will estimate the meter reading and render a bill accordingly. However, the utility must read the meter if the customer does not submit readings for three consecutive months so that a corrected bill may be issued.

324.4 Meter Test and Accuracy Adjustment.

Upon request of a Customer and if he or she desires in the Customer's presence or the presence of his or her authorized representative, the Cooperative shall make a test of the accuracy of Customer's meter. The test shall be made during the Cooperative's normal working hours at a time convenient to the Customer if he or she desires to observe the test. The test may be made on the Customer's premises or at a test laboratory as determined by the Cooperative. Following completion of testing, the Cooperative shall promptly advise the Customer of the date of removal of the meter, if removed, the date of the test, the result of the test, and the testing facility. (Refer to Section 324.9 for accuracy

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 36
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

adjustments.)

If a meter is found to be outside the accuracy standards established by the American National Standards Institute, Incorporated, proper correction shall be made of previous readings for the period of six (6) months immediately preceding the removal of such meter from service for the test, or from the time the meter was in service since last tested, but not exceeding six months as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. Cooperative is not required to make a refund except to the customer last served by the meter prior to testing. If a meter is found not to register for any period, unless bypassed or tampered with, the utility shall make a charge for units used, but not metered, for a period not to exceed 3 months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

324.5 Minimum Charges.

The Customer will pay a minimum bill in accordance with the applicable rate schedule or agreement for electric service, whichever is greater, irrespective of the amount of electricity consumed, even if none is consumed. The minimum charge shall be in addition to any power cost adjustment charges or other billing adjustments. All billing adjustments shall be billed in addition to and exclusive of the minimum charge.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 37
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

The minimum charge may be increased in accordance with the Cooperative's line extension policy for new construction. Usually the amount of such increase will be stated in the Agreement For Electric Service.

324.6 Terms of Payment.

Each bill for utility service(s), regardless of the nature of the service(s), is due 16 days after issuance unless such day falls on a holiday or weekend, in which case payment is due on the next work day. The postmark, if any, on the envelope of the bill, or an issuance date on the bill, if there is no postmark on the envelope, shall constitute proof of the date of issuance. If full payment is not received in the office of the Cooperative or at any agency authorized by the Cooperative to receive payment on or before the date such bill is due, the Customer's account will be considered delinquent and subject to disconnection in accordance with these rules.

324.7 Disputed Bills.

In the event of a dispute between a Customer and the Cooperative regarding any bill for electric utility service, the Cooperative shall make such investigation as may be appropriate under the particular circumstances, and report the results thereof to the Customer. In the event disputes are not resolved, the Cooperative

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 38
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

informs Customers of the complaint procedures of the Cooperative and the Commission.

Customers shall not be required to pay the disputed portion of the bill which exceeds Customer's average monthly usage at current rates pending the resolution of the dispute, but in no event more than sixty (60) days. For purposes of this rule only, the Customer's average monthly usage at current rates shall be the average of the Customer's gross utility service for the preceding 12-month period.

When no previous usage history exists, consumption for calculating the average monthly usage shall be estimated on the basis of usage levels of similar customers and under similar conditions.

324.8 Deferred Payment Plan.

The Cooperative may in its discretion enter into a deferred payment plan for any amount owed to the Cooperative or any portion thereof.

- A. Deferred payment plan. The Cooperative shall offer upon request a deferred payment plan to any residential Customer who has expressed an inability to pay all of his or her bill, if that Customer has not been issued more than two termination notices at any time during the preceding 12 months. In all other cases, the Cooperative is encouraged to offer a deferred payment plan to residential customers.
- B. Every deferred payment plan entered into due to the Customer's

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 39
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

inability to pay the outstanding bill in full shall provide that service will not be discontinued if the Customer pays current bills and a reasonable amount of the outstanding bill, and agrees to pay the balance in reasonable installments until the bill is paid. A payment of not more than one-third of the total deferred amount may be required as a reasonable amount under this paragraph.

- C. A Cooperative is not required to enter into a deferred payment agreement with any Customer who is lacking sufficient credit or a satisfactory history of payment for previous service when that Customer has had service from the present Cooperative for no more than three months. In cases of meter tampering, bypass, or diversion, a Cooperative may, but is not required to, offer a Customer a deferred payment plan.
- D. A deferred payment plan may include a five percent (5%) penalty for late payment but shall not include a finance charge.
- E. If a Customer has not fulfilled terms of a deferred payment agreement, the Cooperative shall have the right to disconnect service pursuant to the disconnection rules herein and under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.
- F. Upon request, the Cooperative shall offer a deferred payment plan to any residential Customer who has demonstrated a good faith ability to pay a reasonable portion but not all of his/her bill, if that Customer has not previously been delinquent at any

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section	Sheet No.
		III	40
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

time during the preceding 12 months.

324.9 Billing Adjustment Due to Meter Error.

If any meter is found to be outside of the accuracy standards established by the American National Standards Institute, Inc., proper correction shall be made of previous readings for the period of six months immediately preceding the removal of such meter from service for the test, or from the time the meter was in service since last tested, but not exceeding six months, as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. No refund is required from the Cooperative except to the customer last served by the meter prior to the testing. If a meter is found not to register for any period, unless bypassed or tampered with, the cooperative shall make a charge for units used, but not metered, for a period not to exceed three months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

324.10 Cancellation of Agreement.

If Customer terminates service without proper notice or prior to the end of the contract term or Cooperative terminates service due to a default or breach by Customer, in addition to the amount then due Cooperative, there immediately becomes due and payable to Cooperative as liquidated damages and not as a penalty a further sum

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 41
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

equal to the minimum amount specified in the applicable rate schedules or guaranteed in the Agreement for Electric Service for the unexpired term of the Agreement for Electric Service, whichever is greater.

324.11 Average Payment Plan.

Average payment billing is available to Cooperative Customers upon the following terms and conditions:

A. Mutual Agreement.

Average payment billing is optional to the Customer but subject to the Cooperative's approval in each case. Average payment billing allows the Customer to know in advance (subject to certain limitations) the approximate amount he or she will be required to pay each month for electric utility service based upon average usage in the past 12 months. Average payment billing may not be used to defer payment of a Customer's delinquent electric bills. Average payment billing may be advantageous to Customers who experience wide variations in their monthly electric billings.

B. Customer's Obligation.

Notwithstanding anything in this section (324.09), a Customer entering into an average payment agreement with the Cooperative shall be obligated to pay for electric utility service the total amount of charges that would be applicable to the Customer in absence of any average billing plan or average billing

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 42
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

agreement. The average payment does not relieve Customer of any obligation to pay based upon actual billing units (e.g., KWh metered to the Customer).

C. Average Payment - Monthly Billings Calculation.

If the Cooperative and the Customer mutually agree to an average payment billing option, the Customer's monthly charges shall be calculated by applying current rates to the average billing units for the preceding 12 months. If Customer does not have a 12 months history, the billing will be based on available billing history but not less than 4 months. However, this amount is subject to adjustment as provided below.

The average billing amount may be reviewed quarterly and adjusted according to the previous year's usage. At the time of review, credit balances on the Customer's account may be carried forward or refunded. Any shortages shall be paid by the Customer when due in accordance with the Cooperative's standard billing practices.

D. Eligibility.

In order to be eligible for average payment billing, the Customer must meet the following requirements:

1. In the most recent 12 months, Customer must have occupied a permanent residential dwelling continuously connected to the Cooperative's electric system and have had a satisfactory payment history during such period;

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 43
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

2. All bills except the current bill for electric utility service, if not then due, must have been paid;
3. Customer must pay a security deposit of not more than 1/6 of estimated annual billings if requested by the Cooperative;
4. Customer may be required to sign and deliver to the Cooperative an average payment billing agreement.

E. Termination of Average Payment Billing.

Average payment billing may be discontinued at any time by either Customer or the Cooperative. If average payment billing is discontinued, any debit balance will become due and payable immediately. A credit balance will either be refunded or applied to future billings. At the time average payment billing is discontinued, the Customer will be placed on the regular method of billing.

If a Customer fails to pay the amount of any average payment billing when due, the Cooperative may at its option terminate average payment billing and any debit balance will become due and payable.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 44
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

325. Customer Relations.

325.1 Available Information.

A. Facilities for Providing Electric Service.

The Cooperative maintains at each of its business offices and makes available to applicants and others entitled to the information a current set of maps, plans, and records showing the facilities available for service.

B. Cost of Providing Service.

Upon request for service by a applicant or for transfer of service by a customer, the Cooperative informs the Applicant or Customer of the Cooperative's lowest priced alternatives available. The Cooperative shall provide this information beginning with the lowest priced alternative and giving full consideration to applicable equipment options and installation charges.

The Cooperative does not assume responsibility that Customer receives electric service under the most favorable rate schedule. If a change in Customer's load or installation occurs which would make Customer eligible for a more favorable rate schedule, it is Customer's responsibility to notify Cooperative in writing of such changes and request that a different rate schedule be applied. Cooperative is not required to bill Customer under the more favorable rate schedule until a written

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 45
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Agreement For Electric Service is in effect between Customer and Cooperative specifying the new rate schedule. When Customer selects a rate schedule, or changes its installation to be eligible for selection of new rate schedule, Cooperative is not required to make any refunds covering the difference between the charges under the rate schedule in effect and those under any other rate schedule which would be applicable to the same service.

C. Tariffs.

At each of its business offices, the Cooperative maintains and makes available for inspection a copy of its current tariffs including all rate schedules and rates relating to service. A copy of any applicable portion of the tariff will be provided upon request. Notice of the availability of such tariffs is posted in each business office in the same area where applications for service are received.

D. Meter Reading.

Upon request, the Cooperative advises its Customers of the method of reading meters.

325.2 Customer Complaints.

A. Upon complaint to the Cooperative by a Customer either at its office, by letter or by telephone, the Cooperative shall promptly make a suitable investigation and advise the complainant of the results thereof.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 46
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

B. For a period of not less than two years, the Cooperative shall maintain a record of the date, nature and resolution of a Customer's complaint in the Customer's data files. Complaints with reference to rates or charges and complaints which require no remedial action by the Cooperative need not be recorded.

325.3 Refund of Deposit and Its Associated Interest During Service Period.

A. Refund of Interest.

If a Customer has been required to make a deposit, the Cooperative shall pay interest on such deposit at the rate set by the Commission annually for a calendar year. The interest rate orders of the Commission may be found in this tariff, or, if not, in the Central Records Office of the Commission. If a refund of deposit is made within 30 days of receipt of deposit, no interest payment is required. If the utility retains the deposit more than 30 days, payment of interest shall be made retroactive to the date of deposit.

Payment of the interest to the Customer shall be annually if requested by the Customer, or at the time the deposit is returned or credited to the Customer's account.

The deposit shall cease to draw interest on the date it is returned or credited to the Customer's account.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 47
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

B. Refund of Deposit.

When the Customer has paid bills for service for twelve (12) consecutive residential billings or for twenty-four (24) consecutive commercial or industrial billings without having service disconnected for nonpayment of a bill and without having more than two occasions in which a bill was delinquent, and when the Customer is not delinquent in the payment of the current bills, the Cooperative shall promptly and automatically refund the deposit plus accrued interest to the Customer in the form of cash or credit to a Customer's bill, or void the guarantee. If the Customer does not meet these refund criteria the deposit and interest may be retained.

340. Small Power Production and Cogeneration.

Section 340 of this tariff and all subsections thereof apply to the interconnection and parallel operation of all qualifying power generating installations having a design capacity of 100 kilowatts or less as well as to electric utility service to such generating installations. If any other part of these tariffs shall be in conflict with this section, Section 340 shall govern with respect to small power production generating installations. By agreement, the Cooperative and Producer may establish additional or different terms, conditions, or rates for the sale or purchase of electricity.

340.1 Obtaining Interconnection.

Any person owning or operating a qualifying power generating

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 48
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

installation (hereafter "Producer") and desiring to interconnect with the Cooperative's system shall:

A. Comply with Tariff.

Apply for interconnection, provide an easement satisfactory to the Cooperative, and otherwise comply with the tariff of the Cooperative.

B. Provide Information.

At least 60 days in advance of interconnection Producer shall submit a plan showing the electrical design of the generating installation including equipment for interconnection with the Cooperative's system. Producer shall also provide such additional information as may be required by the Cooperative. In the event Producer's plan involves the use of non-standard equipment or design techniques the Cooperative may require such plan be approved by a registered professional engineer. Any review or acceptance of such plan by the Cooperative shall not impose any liability on the Cooperative and does not guarantee the adequacy of Producer's equipment to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost-effectiveness, safety, durability or reliability of generating installations.

C. Pay for Extension of Cooperative's Facilities.

Any person owning or operating a qualifying power generating

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 49
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

installation shall comply with conditions for extension of the Cooperative's distribution system as may be determined by the Cooperative in accordance with the following extension policy:

If an extension of Cooperative's distribution system is required for sale or receipt of electric energy to or from a generating installation, whether or not in conjunction with another use, the Cooperative shall exercise prudent judgment in determining the conditions under which such extension will be made. Each case shall be viewed individually considering (1) cost to provide service, (2) longevity of the load, (3) annual load factor, (4) possibility of other loads developing along the proposed line extension, (5) longevity, capacity, and dependability of power to be received by the Cooperative, (6) anticipated annual revenue, and (7) compatibility with planned system improvements.

The Cooperative may require Producer to pay a contribution in aid-of-construction, advance for construction, or increased annual or monthly minimums and may require a contract term of up to five years.

D. Provide Liability Insurance.

Furnish a certificate from Producer's insurance carrier showing satisfactory liability insurance including contractual liability insurance covering indemnity agreements which insures Producer against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 50
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

connected with the installation, operation and maintenance of the Producer's generating equipment. The amount of such insurance coverage shall be at least \$500,000.00 per occurrence.

The certificate shall also provide that the insurance policy will not be changed or canceled during its term without thirty (30) days written notice to the Cooperative.

E. Sign Contract.

Sign and deliver to the Cooperative an Agreement for Interconnection and Parallel Operation of a Cogeneration or Small Power Production Installation; 100 KW or Less, the form of which has been approved by the Public Utility Commission and is contained in these tariffs.

F. Complete Construction.

Construct the power generating installation and install a disconnect switch and other protective equipment as may be required by the Cooperative to protect its personnel, facilities, and operations.

G. Comply with Laws.

Comply with applicable Federal, state, and local laws, ordinances and regulations applicable to power generating installations.

H. Notify Cooperative.

Notify the Cooperative in writing at least thirty (30) days in advance of energizing the small power generating installation and permit the Cooperative to inspect and test protective

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 51
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

equipment.

I. Eliminate Conditions Preventing Interconnection.

In the event that it comes to the attention of the Cooperative that there are conditions preventing safe interconnection and proper parallel operation it shall notify Producer and Producer shall not interconnect and/or initiate parallel operation until such conditions are corrected and Producer has provided at least ten (10) days written notice to the Cooperative.

The foregoing are conditions precedent to any obligation of the Cooperative to interconnect or provide any form of electric utility service.

340.2 Parallel Operation.

A. Installation.

With the exception of only the Cooperative's meter(s), the Producer shall own and be solely responsible for all expense, installation, maintenance and operation of the power generating installation at and beyond the point where Producer's conductors contact Cooperative's conductors. The Producer's generating installation shall be designed and installed in accordance with applicable codes, regulations and prudent engineering practice.

B. Self Protected Generating Installation.

The Producer will furnish, install, operate and maintain in good order and repair all equipment necessary for the safe operation of the power generating installation in parallel with the

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 52
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Cooperative's electric distribution system. The equipment will have the capability to both establish and maintain synchronism with the Cooperative's system and to automatically disconnect and isolate the generating installation from the Cooperative's system in the event of an outage of the Cooperative's system or a malfunction of the power generating installation.

The Producer's power generating installation will also be designed, installed and maintained to be self-protected from normal and abnormal conditions in the Cooperative's electric distribution system. The conditions for which the power generating installation shall be self-protected shall include, but not be limited to, overvoltage, undervoltage, overcurrent, frequency deviation, and faults. The self protection will be compatible with the Cooperative's system protection arrangements and operating policies. Specialized protective functions may be required by the Cooperative when, in the sole judgment of the Cooperative, the particular generating installation characteristics and/or distribution system characteristics so warrant.

C. Quality of Service.

Producer's generating installation will generate power at the nominal voltage of the Cooperative's electric distribution system at the Producer's delivery point plus or minus five percent (5%) at the nominal system frequency of 60 hz plus or minus one-tenth (1/10) hz. Producer shall generate at a power

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 53
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

factor that is as near one hundred percent (100%) as is practicable. In the event that the power factor is less than ninety percent (90%) lagging or leading, the Producer will provide proper power factor correction (within ten percent (10%) of unity) or reimburse the Cooperative for the cost of any necessary correction.

The overall quality of the power provided by Producer including, but not limited to, the effects of harmonic distortion, voltage regulation, voltage flicker, switching surges and power factor, will be such that the Cooperative's electric distribution system is not adversely affected in any manner. In the event that adverse effects are caused in whole or in part by Producer's power generating installation, the Producer will correct the cause of such effects or reimburse the Cooperative for the cost of any required correction.

D. Safety Disconnect.

The Producer, or at the Producer's option, the Cooperative, shall provide and install, at the Producer's expense, a visible break disconnect switch. The disconnect switch will be located so as to be readily accessible to Cooperative personnel in a location acceptable to both the Producer and the Cooperative. It shall be the type of switch which can be secured in an open position by a Cooperative padlock. The Cooperative shall have the right to lock the switch open whenever, in the judgment of the Cooperative, (1) it is necessary to maintain safe electrical

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 54
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

operating or maintenance conditions, (2) the Producer's power generating installation adversely affects the Cooperative's electric distribution system, or (3) there is a system emergency or other abnormal operating condition which warrants disconnection.

The Cooperative reserves the right to operate the disconnect for the protection of the Cooperative's system even if it affects Producer's power generating installation. In the event the Cooperative opens and closes the disconnect switch it shall not be responsible for energization or restoration of parallel operation of the generating installation. The Cooperative will make reasonable efforts to notify the Producer in the event the disconnect switch has been operated. The Producer will not bypass the disconnect switch at any time for any reason.

E. Access.

Persons authorized by the Cooperative will have the right to enter the Producer's property for the purpose of operating or inspecting the disconnect switch or metering. Such entry onto the Producer's property may be without notice. If the Producer erects or maintains locked gates or other barriers, the Producer will furnish the Cooperative with convenient means to circumvent the barrier for access to the disconnect switch and meter(s).

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 55
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

F. Modifications of Cooperative System.

In the event that it is necessary at the time of initial interconnection or at some future time for the Cooperative to modify its electric distribution system in order to purchase or continue to purchase Producer's output, the Producer will reimburse the Cooperative for all just and reasonable costs of modifications which are allocable to the Producer's small power generating installation. The modifications may include, but are not limited to, special interconnection equipment, protective devices, control devices or upgrading of distribution system components.

G. Liability for Injury and Damages.

Producer assumes full responsibility for electric energy furnished to him at and past the point of interconnection and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for both injuries to persons, including death resulting therefrom, and damages to property occurring upon the premises owned or operated by Producer arising from electric power and energy delivered by Cooperative or in any way arising directly or indirectly from Producer's generating installation except (i) when the negligence of Cooperative or its agent or agents was the sole proximate cause of injuries, including death therefrom, to Producer or to employees of Producer or in the case of a residential Customer/Producer, to all Customers of the household; and (ii) as to all other injuries and damages, to the extent that injuries or damages are

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 56
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

proximately caused by or result in whole or in part from (a) any negligence of Cooperative or its agent(s) independent of and unrelated to the maintenance of Cooperative's facilities or any condition on Producer's premises or (b) the breach by Cooperative of any provision of any contract regarding purchase and/or sale of electrical energy or service between Cooperative and Producer.

The Cooperative shall not be liable for either direct or consequential damages resulting from failures, interruptions, or voltage and wave form fluctuations occasioned by causes reasonably beyond the control of the Cooperative, including, but not limited to, acts of God or public enemy, sabotage and/or vandalism, accidents, fire, explosion, labor troubles, strikes, order of any court or judge granted in any bona fide adverse legal proceeding or action, or any order of any commission, tribunal or governmental authority having jurisdiction.

For claims resulting from failures, interruptions, or voltage and wave form fluctuations occasioned in whole or in part by the negligence of the Cooperative or its agent(s), the Cooperative shall be liable only for that portion of the damages arising from personal injury, death of persons, or costs of necessary repairs to or reasonable replacement of electrical equipment proximately caused by the negligent acts of the Cooperative or its agent(s). The Cooperative shall not be liable in any event

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 57
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

for consequential damages.

H. Metering.

If the output of the Producer's generating installation is to be purchased by the Cooperative, it will be measured by meters as required for the metering option chosen by the Producer. Any necessary meter(s) or meter modification in addition to one standard service meter will be installed, maintained and operated by the Cooperative at the Producer's expense. A connection will be provided for the meter(s) at the Producer's expense in a location that is acceptable to both the Cooperative and the Producer. The Cooperative may, at its own expense, supply, install and maintain load research metering for the purpose of monitoring and evaluating the Producer's generating installation.

The metered output of Producer's generating installation will be read by the Producer and, at the election of the Cooperative, accumulated or monthly readings may be checked at least monthly by representatives of the Cooperative.

The meter(s) will, by comparison with accurate standards, be tested and calibrated as often as necessary. The Producer or the Cooperative may reasonably request such tests, and shall be given notice of not less than five (5) working days when such tests are to be made. Both the Producer and the Cooperative

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 58
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

will have the right to be present at such tests. If a meter is found to be inaccurate, it shall be restored to an accurate condition or replaced. If the tests disclose that no unacceptable inaccuracies exist in the meter(s), then the party requesting the tests shall bear the expense of the tests. A report of the results of any tests shall be furnished promptly by the party making such tests to the other party. Any meter(s) registering a deviation of not more than two percent (2%) from normal shall be deemed accurate. The readings of any meter(s) which have been inaccurate shall be corrected according to the percentage of inaccuracy as determined by the tests for a period of no more than ninety (90) days prior to the tests. If any meter fails to register for any period, the facility output during such period shall be estimated in the best manner possible as agreed upon by the Cooperative and the Producer.

I. Additional Metering Option.

Producers using renewable resources with an aggregate design capacity of 50 kilowatts or less shall be offered the option of interconnecting through a single meter that runs forward and backward.

J. Notice of Change in Installation.

Producer will notify the Cooperative in writing fifteen (15) days in advance of making any change affecting the characteristics, performance, or protection of the generating installation. If it comes to the Cooperative's attention that the modification will create or has created conditions which may

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 59
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

be unsafe or adversely affect the Cooperative's system then it shall notify Producer and Producer shall immediately correct such condition.

K. Insurance.

Producer shall continue to maintain insurance as required by the Cooperative prior to interconnection and shall provide proof of such insurance to the Cooperative at least annually.

340.3 Sales to Qualifying Facilities.

A. Application.

This tariff is applicable to sales of electricity to a "Qualifying Cogeneration Facility ("QF") as defined in Section 3(18) of the Federal Power Act, as amended, 16 U.S.C.A. 796 (18) and regulations thereunder provided the QF is interconnected with and served directly from the transmission system of Brazos Electric Power and provided the QF is located in the retail service area of the Member.

B. Types of Service.

Retail electric service for Supplementary, Back-up, Maintenance, and Interruptible Power or combinations thereof.

C. Rates.

Rates for sales shall be just and reasonable and shall not discriminate against a QF in comparison to rates for sales to other customers served by the Member. The rate, exclusive of

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 60
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

cost reimbursement under Section 23.66(k)(2), to be charged by the Member for such retail service(s) shall be developed at the time such service is requested, and shall be designed on a basis which (i) excludes system distribution costs to the extent the Member's distribution facilities and services are not involved in the rendition of such service, and (ii) is uniform among the Brazos Electric Members providing such service insofar as the cost of power and energy from Brazos Electric to Brazos Electric's Members. The Member waives the monthly customer service charge for QFs selling energy and/or capacity directly to Brazos Electric.

D. Interconnection Standards.

Interconnections shall be carried out in a manner consistent with the standards utilized by Brazos Electric in establishing interconnections generally; and, if the interconnection shall be with the Member's distribution system, shall be in compliance with the Interconnection Plan developed by, and on file with, the Member pursuant to Section 23.66(k)(1) of the Substantive Rules of the Commission.

E. Interconnection Costs.

The QF shall pay in advance all interconnection costs in accordance with Section 23.66(k)(2) of the Substantive Rules of the Commission. No QF electing to take service under the terms described above shall be subject to duplicative interconnection charges for wheeling of back-up power from the Member, and no QF shall be required to build separate facilities to the Member to

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 61
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

receive back-up services.

F. Terms and Conditions.

The availability of this tariff and terms and conditions under which this tariff is applied shall be subject to the provisions of Section 23.66 of the Substantive Rules of the Commission, including subsection (j)(2)(B).

340.4 Purchases From Qualifying Facilities.

A. Waiver of Purchase/Sale Obligations.

By its order in Docket 9453 (March 20, 1991), the Public Utility Commission of Texas (the "Commission") granted to Brazos Electric Power Cooperative, Inc., ("Brazos Electric") a waiver of its obligations to sell retail capacity and energy to Qualifying Facilities ("QFs") and granted to Bartlett Electric Cooperative, Inc., Belfalls Electric Cooperative, Inc., B-K Electric Cooperative, Inc., Comanche County Electric Cooperative Association, Denton County Electric Cooperative, Inc., Dickens Electric Cooperative, Inc., Erath County Electric Cooperative Assn., Fort Belknap Electric Cooperative, Inc., Gate City Electric Cooperative, Inc., Hamilton County Electric Cooperative Assn., Hill County Electric Cooperative, Inc., J-A-C Electric Cooperative, Inc., Johnson County Electric Cooperative Assn., McLennan County Electric Cooperative, Inc., Mid-South Electric Cooperative Assn., Navarro County Electric Cooperative, Inc.,

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 62
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Navasota Valley Electric Cooperative, Inc., Tri-County Electric Cooperative, Inc., and Wise Electric Cooperative, Inc. (collectively the "Members") a waiver of their obligations to buy capacity and energy directly from QFs. Brazos Electric will purchase energy and capacity which a QF may seek to sell to a Member and the Members will sell retail capacity and energy to QFs within the Member's service area.

B. Purchases from QFs by Brazos Electric.

Brazos Electric's payment to QFs for purchases of energy and capacity will be based upon the cost Brazos Electric can avoid, which is in turn based upon the incremental cost of energy and capacity to Brazos Electric as more particularly set forth in Brazos Electric's avoided cost filing with the Commission. A QF selling energy and/or capacity to Brazos Electric at a price based on Brazos Electric's avoided cost shall not be required to pay or absorb any expense in connection with the transmission of such QF energy and/or capacity to the Brazos Electric system from a point of interconnection between the QF and a Member, except as would otherwise be required under Commission's Substantive Rules (See §23.66(k)(2)).

C. Superseding Effect.

To the extent that any other provisions of this tariff, previously approved, are contrary to the waivers granted by the Commission in Docket 9453, such provisions are superseded and no longer of any effect.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 63
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

In the event that the Producer exercises the option to sell power to the Cooperative, there will be, in addition to the minimum monthly bill requirements under the applicable service rate schedule(s), a customer service charge of \$25.00 per month for metering and billing.

D. Refusal to Purchase.

The Cooperative may, at certain times and as operating conditions warrant, reasonably refuse to accept part or all of the output of the Producer's facility. Such refusal shall be based on system emergency constraints, special operating requirements, adverse effects of the Producer's facility on the Cooperative's system or violation by the Producer of the terms of the Agreement for Interconnection and Parallel Operation of Cogeneration and Small Power Installations; 100 KW or Less.

340.5 Defined Terms.

- A. Power Generating Installation, Generating Installation shall mean a small power production or cogeneration facility which is a "qualifying facility" under Subpart B of the Federal Energy Regulatory Commission's Regulations under Section 201 of the Public Utility Regulatory Policies Act of 1978 including any generator, and associated equipment, wiring, protective devices, or switches owned or operated by Producer.
- B. Producer means any person, firm, corporation, partnership, or other entity owning or operating a power generating

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 64
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

installation.

350. Customer Initiated Discontinuance of Service.

350.1 Customer's Request.

Any Customer desiring to discontinue electric utility service from the Cooperative shall make a written request identifying the Customer, the service location where discontinuance is desired, and the date service is requested to be discontinued. Such request shall be filed at any office of the Cooperative.

350.2 Disconnection.

Following receipt of Customer's request for discontinuance of service the Cooperative shall disconnect service. Where practicable disconnection is usually made on the date requested by the Customer, however, the Cooperative shall not be obligated to make disconnection earlier than the second full business day following receipt of Customer's request.

351. Cooperative Initiated Discontinuance.

351.1 Reasons for Discontinuance.

The Cooperative may discontinue service to a Customer under any of the following circumstances:

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 65
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

A. Nonpayment of a Bill.

If the Customer fails or refuses to pay a delinquent account for electric service (whether or not based upon estimated billing).

or

B. Breach.

If Customer fails or refuses to perform any obligation under the terms of the Agreement for Electric Service or a deferred payment agreement.

or

C. Interference with Service.

If Customer violates any rule pertaining to the use of electric service in a manner which interferes with or is likely to cause interference with electric service to other Customers or operates nonstandard equipment, provided that the Cooperative has made a reasonable effort to notify the Customer and provided there has been a reasonable opportunity to remedy the situation.

or

D. Failure to Make Application for Service.

If Customer fails or refuses to make application for service in accordance with these rules in Customer's true name.

or

E. Refusal of Access.

If Customer fails or refuses to provide the Cooperative reasonable access to its facilities located on Customer's

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 66
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

premises.

or

F. Default on Guaranty Agreement.

If a Customer has signed a written Guaranty Agreement as a condition precedent to service for another Customer or applicant and fails or refuses to pay the amount due on the guaranteed account when requested to do so by the Cooperative.

or

G. Backbilling.

If Customer fails or refuses to timely pay any billing authorized by these rules resulting from previous underbilling (whether caused by meter inaccuracy, failure to register, misapplication of rates for no more than six months prior to the current billing or otherwise). Correction of billings for meter inaccuracy shall be made for the period of six (6) months immediately preceding removal of the inaccurate meter from service for testing or from the time the meter was in service since last tested, but not exceeding six (6) months.

or

H. Hazardous Condition.

When a hazardous condition exists in Customer's installation or equipment.

Or

I. Failure to Comply with Deposit Arrangements.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 67
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Or

J. Service Connected Without Authority.

Or

K. Meter Tampering.

If Cooperative's meter which serves Customer has been tampered with or bypassed, the Cooperative may discontinue service. For purposes of this section, meter tampering, bypass, or diversion shall be defined as tampering with an electric meter or equipment, bypassing the same, or other instances of diversion, such as physically disorienting the meter, objects attached to the meter to divert service or to bypass, insertion of objects into the meter, and other electrical and mechanical means of tampering with bypassing, or diverting electrical service or there has been a theft of electric service (Section 31.04 of the Penal Code of the State of Texas) or criminal mischief for having damaged or tampered with the Cooperative's property (Section 28.03 of the Penal Code of the State of Texas).

The Cooperative may charge for all labor, material and equipment necessary to repair or replace all equipment damaged due to meter tampering or bypassing or other service diversion, and other costs necessary to correct service diversion where there is no equipment damage, including incidents where service is reconnected without authority. An itemized bill of such charges must be provided to the customer. The Cooperative may also

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 68
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

estimate and bill the Customer for electric service over the entire period of meter tampering, meter bypassing or service diversion.

351.2 Notice of Disconnection.

A. Proper Notice Prior to Disconnection for Nonpayment.

If a Customer fails or refuses to pay the Cooperative in accordance with the provisions of the Agreement For Electric Service, service rules, applicable rate schedule, deferred payment agreement, or guaranty agreement, then proper notice shall be given prior to disconnection. Proper notice shall consist of a separate mailing or hand delivery at least eight (8) days prior to a stated date of disconnection, with the words "termination notice" or similar language prominently displayed on the notice. The information included in the notice shall be provided in English and Spanish as necessary to adequately inform the Customer. Attached to or on the face of the termination notice or electric bill shall appear a statement notifying the Customer that if they are in need of assistance with the payment of their bill or ill and unable to pay their bill, they may be eligible for payment assistance or special payment programs such as deferred payment plans, disconnection moratoriums for the ill, or energy assistance programs, and contact the local office of the Cooperative for information on the available programs. If mailed, the cut-off day may not fall on a holiday or weekend, but shall fall on the next working day

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 69
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

after the eighth day. Payment at a utility's authorized payment agency is considered payment to the utility. The Cooperative shall not issue late notices or disconnect notices to the Customer earlier than the first day the bill becomes delinquent so that a reasonable length of time is allowed to ascertain receipt of payment by mail or at the utility's authorized payment agency.

B. Disconnection Without Notice.

Utility service may be disconnected without notice where a known dangerous condition exists for as long as the condition exists or where service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment or in instances of tampering with the Cooperative's meter or equipment, bypassing the same, or other instances of diversion as defined in Section 23.47 of the Commission's Substantive Rules (relating to Meters). Where reasonable, given the nature of the hazardous condition, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

C. Disconnection After Reasonable Notice.

- (1) Electric service may be disconnected for violation of service rules pertaining to the use of service in a manner which interferes with the service of others or the

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 70
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

operation of nonstandard equipment [Section 351.1C], if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation.

- (2) Electric service may be disconnected for nonpayment of a bill [Section 351.1A] or Breach of an Agreement for Electric Service [Section 351.1B]; for failure to make application for service [Section 351.1D]; refusal of access [Section 351.1(E)]; failure to pay a bill to correct previous underbilling [Section 351.1G]; default on guarantee agreement [Section 351.1F]; if reasonable notice is given.
- (3) Reasonable notice shall consist of a separate mailing or hand delivery at least eight (8) days prior to a stated date of disconnection with the words "termination notice" or similar language prominently displayed on the notice.

351.3 Postponement of Disconnection--Medical.

The Cooperative will not discontinue service to a delinquent residential Customer permanently residing in an individually metered dwelling unit when that Customer establishes that discontinuance of service will result in some person residing at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a Customer seeks to avoid termination of

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 71
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

service under this rule, the Customer must have the attending physician call or contact the Cooperative within 16 days of issuance of the bill. A written statement must be received by the Cooperative from the physician (the term "physician" shall mean any public health official, including but not limited to medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, or any other similar public health official) or health care provider within twenty-six (26) days of the issuance of the Cooperative's bill. The prohibition against discontinuance of service provided by this rule shall last sixty-three (63) days from the issuance of the Cooperative's bill or such lesser period as may be agreed upon by the Cooperative and the Customer or physician. The Customer who makes such request shall enter into a deferred payment plan.

351.4 Effect of Discontinuance of Service.

A. Customer's Obligations.

Discontinuance of service shall not relieve Customer from any obligation to the Cooperative or lessen or change any obligation in any manner.

B. Cooperative's Rights.

Discontinuance of service shall not reduce, diminish, or eliminate any legal right or remedy accruing to the Cooperative on or before the date of discontinuance, nor shall discontinuance operate as a waiver of any legal right or remedy.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 72
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

Failure of Cooperative to discontinue electric service at any time after default or breach of this tariff, or to resort to any legal remedy or its exercise of any one or more of such remedies does not affect the Cooperative's right to resort thereafter to any one or more of such remedies for the same or any default or breach by Customer.

351.5 Dismantling of Cooperative Facilities.

The Cooperative may, upon discontinuance of electric service to Customer, dismantle and remove all lines, equipment, apparatus, or other facilities which the Cooperative may have installed to provide electric service to Customer. Alternatively, the Cooperative may abandon in place in whole or in part its underground lines and equipment in lieu of removing such facilities.

351.6 Liability for Discontinuance of Service.

The Cooperative shall not be liable for any damages of any kind or character resulting from discontinuance or disconnection made pursuant to these rules.

351.7 Refund of Membership Fee.

Within a reasonable time after discontinuance of service the Cooperative shall make reasonable efforts to refund Applicant's membership fee if Applicant is no longer required to maintain a membership.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 73
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

351.8 Refund of Deposit.

After disconnection of service, if service is not reconnected, the Cooperative shall refund promptly and automatically the Customer's deposit, plus accrued interest on the balance, if any, in excess of unpaid bills for service furnished.

A transfer of service from one premise to another within the service area of the Cooperative shall not be deemed a disconnection within the meaning of Section 351.2, and no additional deposit may be demanded unless permitted by Section 351.2 of the tariff.

351.9 Disconnection Prohibited.

Disconnection by the Cooperative is prohibited for the following reasons:

- A. Delinquency in payment for utility service by a previous occupant on the premises;
- B. Failure to pay for merchandise, or charges for nonutility service provided by the Cooperative;
- C. Failure to pay for a different type or class of utility service unless fee for such service is included on the same bill;
- D. Failure to pay the account of another customer as guarantor thereof, unless the Cooperative has in writing the guarantee as a condition precedent to service;

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 74
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

- E. Failure to pay charges arising from an underbilling occurring due to any misapplication of rates more than six months prior to the current billing;
- F. Failure to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Commission's substantive rules (relating to Meters);
- G. Failure to pay an estimated bill other than a bill rendered pursuant to an approved meter-reading plan, unless the Cooperative is unable to read the meter due to circumstances beyond its control.

Unless a dangerous condition exists, or unless the customer requests disconnection, service shall not be disconnected on a day, or on a day immediately preceding a day, when personnel of the Cooperative are not available to the public for the purpose of making collections and reconnecting service.

370. Definitions.

370.1 Actual Cost. The total cost of all construction including not only the labor and materials used in constructing the extension but also engineering, right of way acquisition and clearing, and all other costs directly attributable to the extension or project.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 75
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

370.2 Agreement for Electric Service. A written contract between Cooperative and Customer under which Cooperative provides electric service.

370.3 Codes. Codes governing electrical installations.

370.4 Commission. The Public Utility Commission of Texas.

370.5 Conductors Considered Outside of Building. At the option of the Cooperative, conductors may be considered outside of a building or other structure under any of the following conditions: (1) where installed under not less than two inches of concrete beneath a building or other structure, or (2) where installed within a building or other structure in a raceway that is enclosed concrete or brick not less than two inches thick.

370.6 Connected Load. The combined electrical requirement (i.e., the sum of the capacities and/or ratings) of all motors and other electric power consuming devices installed on the Customer's premises.

370.7 Contribution in Aid of Construction. A cash payment by Customer to Cooperative in order to prevent burdening other Customers through capital expenditures by Cooperative.

370.8 Cooperative. United Electric Cooperative Services Incorporated, its successors and assigns.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 76
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

- 370.9 Customer. An individual, partnership, association, joint venture, corporation, trust, governmental agency or other entity who is receiving, who is an applicant for, or who is receiving the benefit of electric service at a specified point of delivery.
- 370.10 Customer's Electrical Load. The power and energy of all motors and other electricity-consuming devices on Customer's premises which are operated simultaneously from electric service provided by the Cooperative.
- 370.11 Customer's Electrical Installation. All conductors, equipment, or apparatus of any kind on Customer's side of the point of delivery, except Cooperative's metering equipment, used by Customer in taking electric service.
- 370.12 Demand. The rate at which electric energy is used at any instant or averaged over any designated period of time.
- 370.13 Demand Interval. The specified interval of time on which a demand measurement is based. The Cooperative's demand interval is normally 15 minutes.

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 77
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

- 370.14 Distribution System. Cooperative's primary and secondary voltage conductors, transformers, switchgear, connection enclosures, pedestals, services, and other associated equipment used to provide electric service.
- 370.15 Dwelling Unit. A room or rooms suitable for occupancy as a residence containing kitchen and bathroom.
- 370.16 Electric Service. Electric power and energy produced, transmitted and distributed, and provided or made available by Cooperative at the point of delivery.
- 370.17 Energy. The measure of how much electric power is provided over time for doing work. The electrical unit is the watt-hour, or kilowatt-hour.
- 370.18 Inspection Authority. Generally, an incorporated city or town, but may be an agency of the county, state or federal government.
- 370.19 Kilowatt. 1,000 watts; abbreviated "KW."
- 370.20 Kilowatt-Hour. 1,000 watt-hours; abbreviated "KWh."
- 370.21 Load Factor. The ratio, usually stated as a percentage, of actual

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 78
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

kilowatt-hours used during a designated time period to the maximum kilowatts of demand times the number of hours occurring in the designated time period.

370.22 Maximum Electrical Load. The maximum power and energy of all motors and other electricity consuming devices on Customer's premises which are operated or expected to be operated simultaneously from electric service provided by Cooperative at one point of delivery, measured in kilowatts.

370.23 Meter. A device, or devices, together with any required auxiliary equipment, for measuring electric service.

370.24 Permanent Installation. Any installation that is:

- A. Constructed on or permanently affixed to a concrete slab or concrete piers (not blocks) and which is actually used or occupied on a permanent full-time basis; or
- B. Any other structure which meets all of the following criteria:
 - (1) The structure which must be impractical to move. Mobile homes with wheels, trailer hitch, and axle removed are considered impractical to move;
 - (2) The structure must be actually used or occupied on a permanent full-time basis;
 - (3) The structure must be located on property owned or leased by the Customer;
 - (4) The structure must be permanently connected to a water

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 79
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

system and must also be permanently connected to a sewer or septic system.

- 370.25 Person. Any individual, partnership, association, joint venture, corporation, trust, or governmental entity.
- 370.26 Point of Delivery. The point where Cooperative's conductors are connected to Customer's conductors.
- 370.27 Power. The rate at which electric energy is provided for doing work. The electrical unit of power is the watt, or kilowatt.
- 370.28 Power Factor. The ratio of real power, in kilowatts, to apparent power, in kilovoltamperes, for any given load and time, generally expressed as a percentage ratio.
- 370.29 Raceway. Tubular or rectangular channel or conduit for containing electrical conductors, which may be exposed, buried beneath the surface of the earth, or encased in a building or structure.
- 370.30 Rate Schedule. A statement of the method of determining charges for electric service, including the conditions under which such method applies.
- 370.31 Service Availability Statement. A statement from the Cooperative

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section III	Sheet No. 80
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

designating the acceptable location of the Customer's service entrance conductors, the proper location of meters and metering equipment, the type of service available which will be made available at the specific location under consideration at the capacity of the service to be provided.

- 370.32 Service Drop. Overhead conductors that extend from Cooperative's overhead distribution system to the point of delivery where connection is made to Customer's electrical installation.
- 370.33 Service Entrance Conductors. Conductors provided by Customer extending from Customer's electrical equipment to the point of delivery where connection is made.
- 370.34 Service Rules and Regulations; or Service Rules. Any service rule or regulation of the Cooperative approved by the Public Utility Commission of Texas and contained in Section III of these tariffs.
- 370.35 Tariff(s). All provisions of this document including but not limited to provisions regarding (1) Utility Operations; (2) Rates and Charges; (3) Service Rules and Regulations; and (4) Forms.
- 370.36 Temporary Electric Service. Electric service provided to Customer for a single, continuous period of time which is less than twelve consecutive months except that construction power, even though

UNITED ELECTRIC COOPERATIVE SERVICES INCORPORATED Tariff for Electric Service		Section	Sheet No.
		III	81
		Revision	Page
<u>SECTION TITLE:</u> SERVICE RULES AND REGULATIONS APPLICABLE TO ALL AREAS			

provided for a continuous period of time in excess of twelve months, is considered to be temporary electric service.

370.37 Watt. The rate at which electric power is provided to do work. One watt is the power represented by a current having a component of one ampere in phase with and under a pressure of one volt.

370.38 Watt-Hour. A unit of work or energy equivalent to the power of one watt operating for an hour.