CHEROKEE COUNTY ELECTRIC COOPERATIVE ASSOCIATION

MEMBER POLICIES AND SCHEDULES

**TABLE OF CONTENTS**

**I. SERVICE POLICIES**

1.1 GENERAL INFORMATION

 Introduction

 Description of Operations

 Statement of Non-Discrimination

1.2 DEFINITIONS

1.3 MEMBERSHIP TERMS AND CONDITIONS

1.4 RENTAL LOCATIONS

 Units Separately Metered

 Landlord Membership and Maintaining Service

 Service During Vacancy

 Landlord Continuing Responsibility

1.5 ACCOUNTS - CREDIT/DEPOSITS

 Accounts

 Satisfactory Credit History

 Deposits

 Deposit Amount

 Deposit and Additional Deposit by Existing Members

 Adjustments to Credit History and Deposit Requirements

 Information Concerning Deposits

 Records on Deposits

 Interest on Deposits

 Refund and Use of Deposits

 1.6 CRITICAL SERVICE

 Critical Care Designation

 Expiration of Critical Care Designation

 Critical Load Designation

 Member Policies Still Apply

 Member Responsible for Continuous Electric Energy

 Purpose of Critical Care and Critical Load Designations

1.7 BILLING

 Monthly Billing

 Fees

 Estimated Billing

 Failure to Receive Bill

 Disputed Bills

1.8 ACCOUNT ADJUSTMENTS

1.9 PAYMENT AND COLLECTION

1.10 PAYMENT OPTIONS FOR CREDIT ACCOUNTS

 Payment Plan

 Levelized Billing Plan

1.11 DISCONTINUANCE OF ELECTRIC SERVICE

 Disconnection Requested by Member

 Disconnection with Notice

 Disconnection without Notice

 Disconnection on Holidays or Weekends

 Disconnection during Extreme Weather

 Liability for Discontinuing Service

 1.12 RESTORATION OF ELECTRIC SERVICE

 Remedy Reason for Disconnection

 Restoration by Remote Means – Member Responsibility

1.13 MEMBER FACILITIES/EQUIPMENT

 Point of Delivery

 Member’s Facilities

 Motor Horsepower Limitations

 Notice of Change to Load Characteristics

1.14 METERING AND COOPERATIVE EQUIPMENT

 Metering

 Metering Equipment and Other Equipment

 Meter Testing

 Meter Tampering

 Tampering or Alteration of Cooperative’s System and Equipment

Member’s Responsibility for Cooperative’s Electric Facilities and Equipment

1.15 CLASSIFICATION OF ELECTRIC SERVICE AND SPECIAL CIRCUMSTANCES

 Electric Service Classification

 Idle Service

 Special Contracts for Electric Service

1.16 DELIVERY OF ELECTRIC SERVICE

1.17 CONTINUITY OF ELECTRIC SERVICE

 Service Interruptions

 Continuous Service, Member’s Responsibility

 No Liability for Continuity of Electric Service

1.18 MEMBER’S USE OF ELECTRIC SERVICE

 Resell of Electric Service

 Adverse Effects on Cooperative System

 Power Factor Adjustment

1.19 ELECTRONIC TRANSACTIONS WITH MEMBERS

1.20 MEMBER INFORMATION AND PRIVACY

 Purpose for Collecting and Maintaining Information

 Information Collected

 Personal Information

 Use and Retention of Information

 Security

 Disclosures to Third Parties

 Disclosures to Other Cooperative Members

 Accessing Your Member Information

 Member Instructions and Cooperative Contact Information

1.21 MEMBER COMPLAINTS

 Submitting Complaints to Cooperative

 Board Consideration of Complaints

1.22 MEMBER ACCESS TO COOPERATIVE RECORDS

**II. LINE EXTENSION/CONSTRUCTION POLICIES**

2.1 LINE EXTENSION/CONSTRUCTION – IN GENERAL

 Introduction

 Applicable Rates, Terms and Conditions

 Facility Ownership

2.2 CONSTRUCTION COSTS

 Contribution-in-Aid of Construction and LX Costs

 Cost Estimate

 Line Extension Credit

 Payment Plan

2.3 CONSTRUCTION DETAILS

2.4 SERVICE CONSTRUCTION

 Payment of Cost Estimate

 Meter Base

 Required Cooperative System Upgrades

2.5 SERVICE CONVERSIONS

 Primary Service Conversions

 Secondary Service Conversions

2.6 TEMPORARY CONSTRUCTION

2.7 RELOCATION OF COOPERATIVE’S FACILITIES

2.8 COST ADJUSTMENT AND TOTAL CIAC

2.9 EASEMENTS AND CLEARING

 Member Responsible for Easement

 Condemnation

2.10 DEVELOPER PROJECTS

2.11 SWITCHOVERS

 Switching Electric Service from Cooperative to another Supplier

 Switching Electric Service from another Supplier to Cooperative

**III. DISTRIBUTED GENERATION INTERCONNECTION AND PURCHASE POLICY**

3.1 GENERAL INFORMATION

 Introduction

 DG Facility Classification

3.2 APPLICABILITY

3.3 COMPLIANCE WITH LAWS AND REGULATIONS

3.4 INTERCONNECTION REQUIREMENTS OF DG FACILITIES

3.5 POWER EXPORTED TO COOPERATIVE

3.6 NEW INTERCONNECTION SERVICE REQUEST

3.7 INSURANCE AND LIABILITY

3.8 AGREEMENTS

3.9 REFUSAL TO INTERCONNECT OR DISCONNECTION OF DG FACILITY

3.10 OWNERSHIP OF DG FACILITIES

3.11 SELF-PROTECTION OF DG FACILITY

3.12 SAFETY DISCONNECT

3.13 ACCESS

3.14 METERING/MONITORING

3.15 NOTICE OF CHANGE TO DG FACILITY

3.16 TESTING OF DG FACILITY

**S. RATE SCHEDULES/RIDERS**

***Table of Contents for Rate Schedules/Riders***

S.1 GENERAL PROVISIONS

 Introduction

 Single Point of Delivery

 Terms of Payment

 Power Cost Recovery Factor Charge

 Sales Tax

 Municipal Franchise Tax Adjustment

S.2 FEES AND DEPOSITS SCHEDULE

S.3 LINE EXTENSION/CONSTRUCTION SCHEDULE

 New Construction Credits

 Line Extension Charges

 Condemnation

 Switchovers

S.4 RESIDENTIAL SCHEDULE

 Availability

 Type of Service

 Monthly Charges

 Minimum Monthly Charge

 Other Charges and Terms

 Additional Conditions

S.5 COMMERCIAL – SINGLE PHASE SCHEDULE

 Availability

 Type of Service

 Monthly Charges

 Minimum Monthly Charge

 Other Charges and Terms

S.6 COMMERCIAL – THREE PHASE SCHEDULE

 Availability

 Type of Service

 Monthly Charges

 Minimum Monthly Charge

 Determination of Billing Demand

 Power Factor Adjustment

 Other Charges and Terms

S.7 LARGE POWER SCHEDULE

 Availability

 Type of Service

 Monthly Charges

 Minimum Monthly Charge

 Determination of Billing Demand

 Power Factor Adjustment

 Other Charges and Terms

 Additional Conditions

S.8 OUTDOOR LIGHT SERVICE SCHEDULE

 Availability

 Type of Service

 Cooperative Equipment

 Monthly Charges

 Outdoor Lighting Connect/Disconnect Charge

 Contribution-in-Aid of Construction Installation Charges

 Charges for Additional Construction

 Outdoor Light Maintenance

 Power Cost Recovery Factor Charge

 Other Charges and Terms

S.9 POWER COST RECOVERY FACTOR RIDER

S.10 GENERATION RIDER

 Application

 Monthly Charges

 Purchases from a Member DG Facility

 Yearly True-up for Class II Facility

 Insurance Requirements and Liability

CHEROKEE COUNTY ELECTRIC COOPERATIVE ASSOCIATION

MEMBER POLICIES AND SCHEDULES

**SECTION I**

**SERVICE POLICIES**

*Adopted: January 19, 2021*

**1.1 GENERAL INFORMATION**

**Introduction**

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

**Description of Operations**

The Cooperative is a nonprofit Texas electric cooperative. The Cooperative purchases electricity wholesale and distributes it to Members in all or part of four East Texas counties.

**Statement of Non-Discrimination**

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

**1.2 DEFINITIONS**

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

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

1. **Governing Documents** - Shall include the Cooperative’s Articles of Incorporation and the Cooperative’s Bylaws and any amendments thereto and such Member Policies, Schedules, and other policies/rules as may from time to time be adopted or amended by the Cooperative’s Board.

2. **Member Property** - Shall Include:

(a) Real or personal property in which the Member holds an interest sufficient to request and utilize Electric Service;

(b) real or personal property of the Member that is utilizing Electric Service provided by the Cooperative; or

(c) real or personal property owned by the Member.

**1.3 MEMBERSHIP TERMS AND CONDITIONS**

A “Person” (as defined in the Bylaws) shall become a “Member” of the Cooperative and establish a “Membership” (as defined in the Bylaws) by requesting Electric Service. By requesting Electric Service, a Member agrees to:

1. be a Member of the Cooperative and purchase Electric Service from the Cooperative;

2. comply with and be bound by the “Governing Documents”;

3. allow the Cooperative to access and capture images of Member Property by means of manned or unmanned flights over Member Property, for the purpose of inspecting Cooperative facilities and as necessary to assist the Cooperative in delivering Electric Service;

4. provide the Cooperative access to or use of Member Property for: (a) the purpose of restoration efforts; (b) addressing an emergency situation; and (c) any other reasonable purpose required to provide Electric Service; and

5. in partial consideration for providing Electric Service, pursuant to the “Law” (as defined in the Bylaws) and any terms and conditions specified by the Cooperative, grant or convey to the Cooperative a written easement, right-of-way, or license for use of Member Property as necessary and as reasonably agreed upon between the Cooperative and the Member for the purpose of providing Electric Service to the Member or one or more other Members.

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

1. provide any information and pay any amounts required under the Member Policies and Schedules as well as any deposits that may be required to establish an account with the Cooperative;

2. complete any additional or supplemental documents, agreements, or actions required by the Cooperative;

3. not have any past or present delinquent accounts with the Cooperative; and

4. comply with all local, state, and national codes, as well as any technical specifications, rules, policies, and regulations of the Cooperative.

The Cooperative may waive any terms or conditions of Electric Service and provide Electric Service to a Member or potential Member who has unusual or unique power requirements or that has a legal and economically viable alternative source of power to serve all or a portion of their power requirements under or by other terms and conditions that reflect sound cooperative business practices or that is in the best interest of the Cooperative.

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

**1.4 RENTAL LOCATIONS**

**Units Separately Metered**

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

**Landlord Membership and Maintaining Service**

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

**Service During Vacancy**

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

**Landlord Continuing Responsibility**

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

**1.5 ACCOUNTS - CREDIT/DEPOSITS**

**Accounts**

Except as otherwise provided in this section, a Member desiring to establish a “Credit Account” with the Cooperative will be required to demonstrate a credit history satisfactory to the Cooperative or submit a deposit as provided herein. If Electric Service is discontinued for nonpayment, Electric Service will not be reconnected until all balances due on a Credit Account are paid in full, including any required fees or additional deposit amounts that may be required by the Cooperative.

The term “account” throughout the Member Policies and Schedules shall apply to any type of account that a Member has with the Cooperative.

**Satisfactory Credit History**

The Cooperative may choose to establish a Credit Account for a Member that can demonstrate a satisfactory credit history based on payment history with the Cooperative or other evidence acceptable to the Cooperative. Certain business entity Members may not be allowed to establish a Credit Account based on a satisfactory credit history.

In determining if a Member has demonstrated a satisfactory credit history, the Cooperative will consider the type of Electric Service requested and the estimated annual charges for the Electric Service requested. The Cooperative may conduct a credit check to determine if the Member has a satisfactory credit history. A Member may opt out of a credit check by submitting a deposit as determined by the Cooperative.

**Deposits**

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

**Deposit Amount**

Except as provided herein, a deposit for Electric Service in general shall be based on the estimated usage for the location. The initial deposit amount shall be as established in the Schedules. To the extent available, historical data for a location may be utilized in determining estimated usage.

**Deposit and Additional Deposit by Existing Members**

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

1. if after review of a Member’s Credit Account, the Cooperative has determined that a Member’s actual use of Electric Service is at least twice the amount the Cooperative used to calculate the original deposit;

2. if the Cooperative determines that a Member no longer has an acceptable credit history or the Member’s financial condition exposes the Cooperative to a risk of default on amounts due;

3. a Member’s Credit Account has been delinquent more than twice within the previous twelve (12) months;

4. Electric Service has been discontinued for non-payment within the previous twelve (12) months; or

5. a Member commits fraud against the Cooperative to avoid payment of any amounts due the Cooperative.

If a requested deposit amount is not paid within twenty (20) days from the date requested, then the Credit Account may be considered delinquent and Electric Service may be discontinued.

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

**Adjustments to Credit History and Deposit Requirements**

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

1. over 65 years of age that can demonstrate that they have not had a delinquent account with the Cooperative or any other electric utility within the previous two (2) years. If a waiver is allowed any reconnection after nonpayment will be subject to the payment of past due balances, deposits, and any other fees required;

2. that provide proof of being a victim of family violence as defined in the Texas Family Code. Such proof shall be satisfied by submission of a certification letter from the Texas Council on Family Violence or other similar governmental entity and will only apply to a single location. If a waiver is allowed, any reconnection after nonpayment will be subject to the payment of past due balances, deposits, and any other fees required; or

3. that provide financial assurance or proof of responsibility in another way, if approved by and acceptable to the Cooperative.

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

**Information Concerning Deposits**

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

1. the circumstances under which the Cooperative may require a deposit;

2. how a deposit is calculated; and

3. the time frame and requirement for returning the deposit to the Member.

**Records on Deposits**

The Cooperative shall maintain deposit records containing the following information:

1. the name and address of each depositor;

2. the Member Credit Account to which the deposit applies;

3. the amount and date of the deposit; and

4. each transaction concerning the deposit.

**Interest on Deposits**

Deposits shall accrue interest at an annual rate determined by the Public Utility Commission of Texas (“Commission”). If a deposit is refunded within ninety (90) days of the date of deposit, then no interest payment is required. If the Cooperative keeps the deposit more than ninety (90) days, payment of the interest shall be calculated from the date of deposit. Payment of interest to a Member shall be made at the time the deposit is returned or credited to a Member’s Credit Account. The deposit shall no longer accrue interest on the date it is returned or credited to a Member’s Credit Account.

**Refund and Use of Deposits**

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

1. the Member’s Credit Account is no longer receiving charges from the Cooperative and the Credit Account is paid in full; or

2. the Member’s Credit Account: (a) has not been delinquent more than two (2) times in the previous twenty-four (24) months; (b) has not been discontinued for non-payment in the previous twenty-four (24) months; and (c) is not currently delinquent.

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

**1.6 CRITICAL SERVICE**

**Critical Care Designation**

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

**Expiration of Critical Care Designation**

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

**Critical Load Designation**

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

**Member Policies Still Apply**

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

1. Does not relieve a Member of the obligation to pay for Electric Service, and Service may be discontinued if a Member’s Credit Account is delinquent.

2. Does not guarantee against Service interruptions.

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

**Member Responsible for Continuous Electric Energy**

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

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

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

**1.7 BILLING**

**Monthly Billing**

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

**Fees**

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

**Estimated Billing**

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

**Failure to Receive Bill**

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

**Disputed Bills**

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

**1.8 ACCOUNT ADJUSTMENTS**

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

1. if a Member’s account is entitled to a refund, an adjustment shall be made for the entire period of the overcharges;

2. if a Member’s account is under-billed because of a failure to receive meter readings, faulty metering equipment, or other circumstances resulting in unreported use, the Cooperative shall estimate the under-billed amount and adjust the Member’s account accordingly for up to six (6) months of under-billing. The Cooperative may, however, bill for more than six (6) months of under-billing if it can produce records to identify and justify the additional amount. The Cooperative, at its sole discretion, may offer a payment plan to collect the under-billed amount; or

3. if a Member’s account is under-billed due to theft by the Member, then the Cooperative may bill the Member for the entire duration of the theft and the Cooperative may charge interest on the entire under-billed amount.

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

**1.9 PAYMENT AND COLLECTION**

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

If Member’s payment is returned unpaid by a Member’s banking institution twice within a twelve (12) month period, the Cooperative may require a form of payment that guarantees the funds are available to the Cooperative immediately upon payment.

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

**1.10 PAYMENT OPTIONS FOR CREDIT ACCOUNTS**

**Payment Plan**

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

**Levelized Billing Plan**

The Cooperative at its sole discretion may offer Members with Electric Service classified under the “Residential Schedule” a Levelized Billing Plan. A Levelized Billing Plan can only be established for a Credit Account at a location with a zero balance for Electric Service. Under a “Levelized Billing Plan” the Member will be billed monthly based on the average of: (a) the current bill for the location, plus (b) the bills for the location’s previous eleven (11) months. Accordingly, the amount due will fluctuate from month to month. A Member’s participation in a Levelized Billing Plan will not relieve the Member’s obligation to pay for all amounts due for Electric Service at the location and the Member will be responsible for any accumulated balance in the Member’s Credit Account upon the discontinuance of Electric Service at the location.

**1.11 DISCONTINUANCE OF ELECTRIC SERVICE**

**Disconnection Requested by Member**

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

**Disconnection with Notice**

A “Final Notice” shall be mailed, as a separate mailing, at least ten (10) days prior to the stated Disconnection date and notify a Member of all amounts due the Cooperative to avoid Disconnection. The stated Disconnection date shall only fall on a business day and the Cooperative may discontinue Electric Service on any business day after the stated Disconnection date. Electric Service may be discontinued after a Disconnection Notice has been provided for any of the following reasons:

1. a Member’s Credit Account is delinquent;

2. a Member fails to comply with the terms and conditions of any agreement with the Cooperative regarding payment of charges for Electric Service;

3. a Member fails to adhere to or violates any of the terms and conditions of the Member Policies and Schedules; or

4. Any other lawful reason.

**Disconnection without Notice**

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

1. when the Cooperative discovers that Electric Service is being obtained in any unlawful manner;

2. if the Cooperative determines that an unsafe or potentially dangerous condition exists for as long as the condition exists;

3. Member’s use of Electric Service adversely impacts the operation of the Cooperative system or Electric Service provided to another Member; or

4. any other lawful reason.

**Disconnection on Holidays or Weekends**

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

**Disconnection during Extreme Weather**

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

1. the previous day’s temperature did not exceed 32 degrees Fahrenheit and the National Weather Service (“NWS”) reports that it shall not do so for the next twenty-four (24) hours;

2. there is currently a heat advisory issued by the NWS; or

3. a heat advisory has been issued by the NWS on the previous day.

**Liability for Discontinuing Service**

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

**1.12 RESTORATION OF ELECTRIC SERVICE**

**Remedy Reason for Disconnection**

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

**Restoration by Remote Means – Member Responsibility**

Member understands that upon remedying the conditions for Disconnection that Electric Service may be restored automatically and immediately by remote means. Member is solely responsible for ensuring that all electric appliances are turned off, and that the Member’s electric system is safe to energize remotely after Disconnection. Member accepts full responsibility for, and agrees to hold the Cooperative harmless for, any and all damages arising from the restoration of Electric Service by remote means.

**1.13 MEMBER FACILITIES/EQUIPMENT**

**Point of Delivery**

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

**Member’s Facilities**

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

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

**Motor Horsepower Limitations**

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

**Notice of Change to Load Characteristics**

A Member shall notify the Cooperative of changes to the load characteristics of the Member’s Electric Service. Said notice shall be in writing and shall allow enough time for the modification of the Cooperative’s system and equipment to accommodate the changed load. Any modifications to the Cooperative’s system and equipment may require reimbursement of associated costs. A Member shall be responsible for any damage to the Cooperative system and equipment as a result of any increased load.

**1.14 METERING AND COOPERATIVE EQUIPMENT**

**Metering**

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

**Metering Equipment and Other Equipment**

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

The Cooperative utilizes an Advance Metering Infrastructure (“AMI”) for providing Electric Service and will determine the type of meter that will be installed at the Point of Delivery. Member understands that AMI allows the Cooperative to monitor and obtain information about Member’s energy consumption. Member consents to the Cooperative’s use of AMI and understands that opting out of the use of AMI may be an option available to Member. If permitted by the applicable Schedules, a Member may request a meter not utilized by the Cooperative’s AMI (herein a “Non-Standard Meter”) that will require Cooperative personnel to manually read the meter. A Member requesting and utilizing a Non-Standard Meter shall be responsible for set-up and monthly fees as established in the Schedules as well as any fees that may be required to physically read the Non-Standard Meter.

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

**Meter Testing**

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

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

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

**Meter Tampering**

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

**Tampering or Alteration of Cooperative’s System and Equipment**

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

1. electric energy has been diverted from passing through a meter;

2. electric energy has been prevented from being correctly recorded by a metering device; or

3. electric energy has been activated by a device installed to obtain electric energy without a metering device.

**Member’s Responsibility for Cooperative’s Electric Facilities and Equipment**

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

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

**Electric Service Classification**

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

**Idle Service**

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

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

**Special Contracts for Electric Service**

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

**1.16 DELIVERY OF ELECTRIC SERVICE**

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

1. Single-Phase: 120/240 Volt

2. Three-Phase: 120/208 GNDY or 277/480 GNDY

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

**1.17 CONTINUITY OF ELECTRIC SERVICE**

**Service Interruptions**

The Cooperative strives to provide continuous Electric Service but makes no guarantees against interruptions. Members shall be responsible for reporting Service interruptions that are not attributable to Member Facilities. Service interruptions or a Force Majeure condition shall not relieve a Member from paying any amounts due to the Cooperative by its Due Date.

Cooperative shall have the right to curtail, discontinue or disconnect Electric Service, in whole or in part, without notice at any time: (1) for reasons of Force Majeure; (2) when, in the Cooperative’s reasonable judgment, operating conditions so require; (3) if the Cooperative desires or determines it is necessary to make modifications, repairs, or operating changes to the Cooperative system; (4) if the Cooperative determines that an unsafe or potentially dangerous condition exists; or (5) when the Cooperative is required to do so by the control area operator of the bulk transmission system.

“Force Majeure” means events or circumstances reasonably beyond the control of the party affected, including, without limitation: acts of God, flood, drought, earthquake, tornado, severe storm, hurricane, ice storm, fire, lightning, epidemic, pandemic, war, riot, civil disobedience, labor dispute, strikes, labor or material shortage, sabotage, acts of public enemy, acts of terrorism, explosions, inability to obtain or install equipment, and restraint by court order or public authority (whether valid or invalid).

**Continuous Service, Member’s Responsibility**

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

**No Liability for Continuity of Electric Service**

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

**1.18 MEMBER’S USE OF ELECTRIC SERVICE**

**Resell of Electric Service**

Members shall not resell Electric Service to any other Member, person, or entity without approval from the Cooperative. Notwithstanding the foregoing, a Member may be reimbursed for electric energy delivered to a third party on the Member’s property, so long as the Cooperative has been notified of such arrangement. Members shall not extend electric facilities to an adjacent property without written approval from the Cooperative.

**Adverse Effects on Cooperative System**

If a Member’s use of Electric Service creates intermittent or major power fluctuations on the Cooperative’s system, causes harmonic distortion, or otherwise adversely affects the operation of the Cooperative’s system or Electric Service provided to another Member, the Cooperative may: (1) take steps to correct the adverse effects on the Cooperative’s system and bill the Member for the costs associated with such; (2) require the Member to correct such a condition at the Member’s expense; or (3) discontinue Electric Service without notice.

**Power Factor Adjustment**

Member agrees to maintain a power factor required by the applicable Schedule, reliability council, transmission service provider or other entity, whichever is greater (“Required Power Factor”) and will install the necessary equipment, including capacitors, required to maintain the Required Power Factor. Upon notification by the Cooperative to the Member of the Member Facility operating at a power factor below the Required Power Factor, the Member shall take corrective action at its own expense. If the Member does not take timely corrective action to correct the power factor, the Cooperative may choose to install equipment on the Cooperative’s system, such as capacitors, to correct the power factor, and the Member will be responsible for the costs incurred by the Cooperative to purchase, install, and operate any equipment installed to correct the power factor. Member shall be responsible for paying any amounts incurred by the Cooperative for failing to maintain the Required Power Factor.

The Cooperative reserves the right to measure the Member’s power factor at any time. Should such measurements indicate that the power factor at the time of Member’s maximum demand is less than the Required Power Factor, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by the Required Power Factor and then divided by the power factor measured by the Cooperative.

**1.19 ELECTRONIC TRANSACTIONS WITH MEMBERS**

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

**1.20 MEMBER INFORMATION AND PRIVACY**

**Purpose for Collecting and Maintaining Information**

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

**Information Collected**

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

1. Information for communicating with a Member, including a Member’s name, address, telephone number, e-mail address, etc.

2. Information for establishing an account with the Cooperative, including a Member’s Social Security number, driver’s license number, date of birth, credit information, financial account information, payment history, etc.

3. Information about the consumption of energy and use of Electric Service at a location collected by the Cooperative’s Advance Metering Infrastructure, other metering devices not included as part of AMI, or other means (e.g. account notes, construction reports, staking sheets, etc.). Information collected may include information about Member Property (e.g., appliance types, appliance consumption, load data, Member Property hazards or other information helpful to the Cooperative when accessing Member Property).

4. Information about the capital and patronage account of Members and former Members, including contact information for former Members, collected over time as a result of Cooperative Membership requirements.

5. Information obtained from Member surveys conducted by the Cooperative to identify needs or improve Cooperative operations and Electric Service.

6. Information about computing hardware and software/applications that is automatically collected when a Member utilizes the Cooperative’s website or other platforms for interacting with and obtaining information from the Cooperative (e.g. tablet and phone applications). This information can include: Member’s Internet Protocol (“IP”) addresses, Media Access Control (“MAC”) addresses, browser type, domain names, access times, and referring website addresses. The Cooperative may also collect usernames and passwords utilized on the Cooperative’s website or other platforms for interacting with and obtaining information from the Cooperative.

7. Information collected from third parties that provides services to the Cooperative or that the Cooperative interacts with such as credit agencies and financial institutions.

8. Additional information about a Member or Member Property provided to the Cooperative by a Member or obtained by the Cooperative through other services, plans, or programs offered by the Cooperative or its affiliates (e.g. photos, medical conditions, biometric data, etc.).

**Personal Information**

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

**Use and Retention of Information**

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

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

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

**Security**

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

**Disclosures to Third Parties**

Except as otherwise provided in this provision, the Cooperative does not share Personal Information with a party that does not assist the Cooperative in providing Electric Service or in conducting the business of the Cooperative without the prior written consent of the Member. Member information may be disclosed to affiliates or contractors for services that support the Cooperative in providing Electric Service and conducting the business of the Cooperative (e.g. electric cooperative educational initiatives, electric cooperative publications, construction and maintenance contractors, billing services, collection services, legal services, accounting/auditing services, etc.). Member information may also be shared with other utilities under shared service agreements or to meet operational requirements. Information will only be disclosed to such persons to the extent necessary to render the services provided to the Cooperative.

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

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

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

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

**Disclosures to Other Cooperative Members**

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

**Accessing Your Member Information**

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

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

**Member Instructions and Cooperative Contact Information**

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

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

**Member Service Numbers**

903.683.2248
800.992.4280

**Address**

Cherokee County Electric Cooperative Association
P.O. Box 257

29880 U.S. Hwy. 69 N.

Rusk, TX 75785

**1.21 MEMBER COMPLAINTS**

**Submitting Complaints to Cooperative**

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

**Board Consideration of Complaints**

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

If a Member is not satisfied by the Cooperative’s resolution or response to a complaint, then the Member may also present the complaint to the Board in person for consideration. In order to meet with the Board regarding a complaint, a Member must submit the complaint in writing to any Director at least fifteen (15) days prior to the Board meeting at which the Member desires to address the Board. The Board may ask questions about the complaint but may choose not to deliberate the merits of the complaint or provide a response to the complaint at the Board meeting.

The Board shall consider its response to Member complaints in accordance with the Cooperative’s Articles of Incorporation, Bylaws, and policies, as well as any and all applicable laws, administrative rules, and rulings. The Board will provide a response to a complaint after the Board has had adequate time to investigate, consider, and determine an appropriate response to the complaint.

**1.22 MEMBER ACCESS TO COOPERATIVE RECORDS**

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

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

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

CHEROKEE COUNTY ELECTRIC COOPERATIVE ASSOCIATION

MEMBER POLICIES AND SCHEDULES

**SECTION II**

**LINE EXTENSION/CONSTRUCTION POLICIES**

*Adopted: January 19, 2021*

**2.1 Line Extension/CONSTRUCTION - IN GENERAL**

**Introduction**

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

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

**Applicable Rates, Terms and Conditions**

Line extensions, Cooperative system upgrades, or other construction as part of Electric Service and requested/necessary for delivering the requested Electric Service to a Member (“Line Extension” or “Construction”) shall be constructed under the Rates, terms, and conditions in effect at the time the construction is completed.

Member shall incur and be responsible for paying all applicable fees and charges, including any minimum monthly charges associated with delivering the Electric Service on the date electric energy is made available regardless of whether Member is consuming or is ready to receive electric energy on that date.

**Facility Ownership**

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

**2.2 Construction CostS**

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

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

**Cost Estimate**

The Cooperative shall prepare and/or provide a “Cost Estimate” for the estimated costs of the Line Extension in advance of construction. The Cost Estimate shall be calculated based on the estimated LX Cost and/or the established Construction charges in Schedule LX or other applicable Schedule(s) for the type of Electric Service requested. The established charges for Construction have been established based on the estimated LX Cost, the type of Electric Service and the expected life of the Electric Service. Measurements for determining the Cost Estimate charges will be as measured by the Cooperative. The Cooperative, at its sole discretion, may adjust the Cost Estimate and the Cost Estimate may or may not reflect the actual total LX Cost or the total CIAC payment amount required for the Line Extension. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on the Line Extension or on delivering the Electric Service until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the total CIAC payment.

**Line Extension Credit**

Except as otherwise provided in these LX Policies, a Member, providing proof that any new Line Extension will be delivering permanent Electric Service, may be provided a credit against their LX Cost as determined by the Cooperative or as established in Schedule LX (“Credit”). Any Credit will be reflected in the Cost Estimate and any Credit shall not exceed LX Cost. The determination that any Line Extension will be delivering permanent Electric Service to a location will be at the Cooperative’s sole discretion.

**Payment Plan**

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

**2.3 CONSTRUCTION DETAILS**

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

The Cooperative shall be consulted regarding the desired location of the Line Extension, the size and character of the load to be connected to the Cooperative’s system, and the characteristics of the requested Electric Service prior to the installation of Member’s Facilities.

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

**2.4 SERVICE CONSTRUCTION**

**Payment of Cost Estimate**

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

**Meter Base**

The Cooperative will be responsible for determining the size of, and providing to the Member, the appropriate meter base for the Construction based on the projected load. If a Member desires a capacity greater than that determined by Cooperative for new Construction, the Member must pay the difference in cost for the upgrade.

For overhead and underground Construction, the Member is responsible for installing and maintaining the meter base.

**Required Cooperative System Upgrades**

In the event engineering studies of a new load predict a required upgrade to the Cooperative’s system, the Member must pay for the total estimated costs of the upgrade which will be reflected in the Cost Estimate.

**2.5 Service conversionS**

**Primary Service Conversions**

A Member desiring to convert existing overhead primary Electric Service to underground primary Electric Service or underground primary Electric Service to overhead primary Electric Service, shall be responsible for paying the Cooperative the total costs of the conversion, including the cost of the meter base and any other charges required by the Cooperative’s Schedules. In addition to the LX Cost, the Cost Estimate amount for the conversion shall include the estimated cost of retiring the existing facilities. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on the conversion until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the CIAC payment. A Credit will not be provided for primary Service conversions.

**Secondary Service Conversions**

A Member converting overhead secondary Electric Service to underground or underground secondary Electric Service to overhead shall be responsible for paying the Cooperative the total costs of the conversion, the cost of the meter base, and any other costs attributable to the conversion. The Member will be responsible for purchasing and installing the meter base when converting secondary underground Electric Service to overhead. All conversions must comply with the Cooperative’s Meter Loop Specifications. A Credit will not be provided for secondary Electric Service conversions.

**2.6 TEMPORARY CONSTRUCTION**

A Member desiring Electric Service for a period of less than twelve (12) months (“Temporary”) shall be responsible for paying the Cooperative the total costs for providing the Temporary Electric Service as a nonrefundable CIAC payment. In addition to the LX Cost, the Cost Estimate for providing Temporary Electric Service shall include the estimated cost of removing the installed facilities, including the total cost of unsalvageable materials. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on providing the Temporary Electric Service until the Member has paid the Cost Estimate amount in full and the payment shall be considered part of the CIAC payment. A Credit will not be provided for Temporary Electric Service.

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

**2.7 RELOCATION OF COOPERATIVE’S FACILITIES**

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

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

**2.8 COST ADJUSTMENT AND TOTAL CIAC**

A Member may request an accounting of the cost for the Construction or Line Extension under these LX Policies and request a refund of any CIAC payment amount that exceeds the cost of the Construction or Line Extension. If the cost for any Construction or Line Extension exceeds the Member’s CIAC payment amount, the Member shall be charged the difference so that the Cooperative recovers the appropriate CIAC for the Construction or Line Extension. The total amount paid for the Line Extension after any Credit shall be considered the Member’s/party’s total CIAC payment amount for the Construction or Line Extension.

**2.9 EASEMENTS AND CLEARING**

**Member Responsible for Easement**

It shall be the responsibility of the Member or Member applicant to provide an easement and obtain easement(s) as required to deliver the Electric Service. The easement shall be the Cooperative’s standard easement unless otherwise approved by Cooperative management. Except as may be otherwise provided in these LX Policies, the Cooperative is under no obligation to take any action on the Line Extension or on delivering the Electric Service until the Member has delivered the appropriate easements to the Cooperative. The Cooperative will suggest alternative routes, if available, for a Member unable to obtain necessary easement(s).

Prior to Construction, it is the responsibility of the Member or the party requesting the Construction to clear the easement. At the Member’s request, the Cooperative will make arrangements for an easement to be cleared. A Member shall be responsible for reimbursing the Cooperative for the cost of clearing any easement.

**Condemnation**

The Cooperative will support condemnation proceedings as necessary to provide the Service. Costs and expenses associated with condemnation proceedings shall be the sole responsibility of the Member or party requesting the Construction. In order for the Cooperative to begin condemnation proceedings, the Member may be required to establish an escrow account in favor of the Cooperative in an amount and with balance requirements as established in Schedule LX or as otherwise agreed in writing between the Cooperative and the Member.

**2.10 DeVELOPER PROJECTS**

A developer of a subdivision, mobile home park, shopping center, business park, industrial facility, other unique facility, or any large commercial projects with a load greater than 1,000 kW (“Developer”) requesting Construction for Developer’s project (“Project Construction”) shall be responsible for the total costs of the Project Construction. Except as may be otherwise provided in these LX Policies, the total costs of the Project Construction shall be paid to the Cooperative as a nonrefundable CIAC payment. The Cooperative may require a Developer requesting Project Construction to sign an agreement with the Cooperative containing the terms and conditions of the Project Construction (“Project Construction Agreement”).

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

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

**2.11 SWITCHOVERS**

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

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

1. A Member shall request Disconnection in writing.

2. A Member shall pay any outstanding account balance in full.

3. A Member shall pay the following charges prior to disconnection:

a. A set switchover fee, as established in Schedule LX, to cover the cost of removing any meter and drop line used to serve a consuming facility on a single premise.

b. The cost of removing any idle facilities, determined unnecessary by the Cooperative that were used to provide Electric Service to the premise incurring a switchover fee.

c. A charge based upon the original cost of the distribution facilities rendered idle and not reusable elsewhere on the distribution system, less depreciation, salvage and any previous CIAC payment.

4. Upon payment of the full account balance and other fees and charges due under this provision, a Member shall receive a paid receipt from the Cooperative for presentation to the connecting utility.

5. A Member shall be advised that the connecting electric utility may not provide Electric Service until such connecting utility has evidence that a Member has paid all amounts owed to the Cooperative.

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

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

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

CHEROKEE COUNTY ELECTRIC COOPERATIVE ASSOCIATION

MEMBER POLICIES AND SCHEDULES

**SECTION III**

DISTRIBUTED GENERATION INTERCONNECTION

AND PURCHASE POLICIES

*Revised: April 20, 2021*

# 3.1 GENERAL INFORMATION

**Introduction**

This “Distributed Generation Interconnection and Purchase Policy” (“DG Policy”) shall be considered part of Cherokee County Electric Cooperative Association’s (“Cooperative”) “Member Policies”. This DG Policy, together with other Member Policies and the “Rate Schedules/Riders” (“Schedules”), establish the policies, rules, and fees and charges (“Rates”) applicable to receiving Electric Service or Service from the Cooperative.

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

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

**DG Facility Classification**

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

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Classification** | **Size (kW)** | **Membership Requirement** | **Qualifying Facility Designation Required** |
| Class I | ≤ 15 | Yes | No |
| Class II | > 15 ≤ 100 | Yes | No |
| Class III | > 100 ≤ 1,000 | No | Yes |
| Class IV | > 1,000 | No | Yes |

**3.2 APPLICABILITY**

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

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

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

**3.3 COMPLIANCE WITH LAWS AND REGULATIONS**

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

**3.4 INTERCONNECTION REQUIREMENTS OF DG FACILITIES**

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

**3.5 POWER EXPORTED TO COOPERATIVE**

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

**3.6 NEW INTERCONNECTION SERVICE REQUEST**

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

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

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

Cherokee County Electric Cooperative Association

Attn: System Engineer

P.O. Box 257

29880 U.S. Hwy. 69 N.
Rusk, TX 75785

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

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

**3.7 INSURANCE AND LIABILITY**

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

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

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

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

REGARDLESS OF ANY INSURANCE THAT MAY BE OBTAINED, MeMBER ASSUMES ALL liability at A MEMBER’s LOCATION for member FAcilites, INCLUDING A DG FACILITY in accordance with the Cooperative’s Bylaws and Member Policies. Member SPECIFICALLY agrees to indemnify and hold the Cooperative harmless from all claims resulting from Member’s operation of A DG Facility as specifically provided HEREIN and as provided ELSEWHERE IN THE Cooperative’s Governing Documents.

**3.8 AGREEMENTS**

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

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

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

3.9 REFUSAL TO INTERCONNECT OR DISCONNECTION OF DG FACILITY

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

**3.10 OWNERSHIP OF DG FACILITIES**

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

**3.11 SELF-PROTECTION OF DG FACILITY**

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

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

**3.12 SAFETY DISCONNECT**

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

1. it is necessary to maintain safe electrical operating and/or maintenance conditions;

2. the DG Facility adversely affects the Cooperative system; or

3. there is a system emergency or other abnormal operating conditions warranting disconnection.

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

1. The Cooperative shall not be responsible for energization or restoration of parallel operation of the DG Facility.

2. The Cooperative will make reasonable efforts to notify the DG Facility owner.

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

**3.13 ACCESS**

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

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

**3.14 METERING / MONITORING**

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

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

**3.15 NOTICE OF CHANGE TO DG FACILITY**

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

**3.16 TESTING OF DG FACILITY**

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

CHEROKEE COUNTY ELECTRIC COOPERATIVE ASSOCIATION

MEMBER POLICIES AND SCHEDULES

**SECTION “S”**

**RATE SCHEDULES/RIDERS**

*Revised: April 20, 2021*

Section S - Table of Contents

**Schedule/Rider Section**

GENERAL PROVISIONS S.1

FEES and DEPOSITS S.2

LINE EXTENSION / CONSTRUCTION S.3

RESIDENTIAL S.4

COMMERCIAL – SINGLE PHASE S.5

COMMERCIAL – THREE PHASE S.6

LARGE POWER S.7

OUTDOOR LIGHT SERVICE S.8

POWER COST RECOVERY FACTOR RIDER S.9

GENERATION RIDER S.10

**S.1 GENERAL PROVISIONS**

**Introduction**

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

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

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

**Single Point of Delivery**

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

**Terms of Payment**

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

**Power Cost Recovery Factor Charge**

Except as otherwise may be provided in a specific Schedule, the total amount of fees and charges for Electric Service computed under the Schedules will be increased or decreased as set out in the Power Cost Recovery Factor (“PCRF”) Rider or Rider PCRF.

**Sales Tax**

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

**Municipal Franchise Tax Adjustment**

Except as otherwise may be provided in a specific Schedule, Electric Service rendered within the incorporated limits of a municipality which imposes a gross receipts tax upon the revenues received by the Cooperative from its Members, the Cooperative shall calculate an applicable tax adjustment to be a separately stated adjustment on each Member’s bill as required by the agreement between the municipality and the Cooperative.

**S.2 FEES AND DEPOSITS SCHEDULE**

(2 pages)

A Member’s account will be charged all applicable fees based on the circumstances as determined by the Cooperative at the Cooperative’s sole discretion.

|  |  |
| --- | --- |
| **Fees and Deposits** | **Amount** |
| **Connect/Disconnect Fee***Approved: 09-19-06 Effective: 01-01-07*Billed to an account whenever Electric Service other than Outdoor Lighting, is connected, reconnected, or disconnected at a location. | $25.00 |
| **Additional After Hours Reconnect Fee***Approved: 12-17-13 Effective: 02-01-14*Billed to an account when a Member requests that Electric Service be connected outside of regular business hours in addition to the standard connect fee.  | $50.00 |
| **Trip Fee***Approved: 09-19-06 Effective: 01-01-07*Billed to an account when Cooperative personnel is required to visit a Member Property as a result of the Member’s actions or request, to connect or restore Electric Service or otherwise required by the Member Policies. | $25.00 |
| **After Hours Trip Fee***Approved: 09-19-06 Effective: 01-01-07*Billed to an account when Cooperative personnel is required to visit a Member Property outside regular business hours as a result of the Member’s actions or request, to connect or restore Electric Service or as otherwise required by the Member Policies. | $75.00 |
| **Returned Payment Fee***Approved: 09-19-06 Effective: 01-01-07*Billed to an account whenever payment is returned unpaid by a Member’s banking institution. | $25.00  |
| **Adverse Action Fee***Approved: 01-19-21 Effective: 03-01-21*Billed to an account whenever Disconnection occurs as a result of the Member’s actions or failure to comply with the Member Policies and Schedules, other than a Member’s request for Disconnection. | $50.00   |
| **Late Payment Fee***Approved: 09-19-06 Effective: 01-01-07*Billed to an account when a Member’s Credit Account becomes delinquent. | 5% |
| **Tamper Fee***Approved: 12-17-13 Effective: 02-01-14*Billed to an account when the Cooperative determines that tampering with Cooperative’s system or equipment has occurred.  | $250.00 |
| **Non-Standard Meter Reading Fee***Approved: 01-19-21 Effective: 03-01-21*Billed to an account monthly when a Member has requested and is utilizing a Non-Standard Meter that will require Cooperative personnel to manually read their meter.  | $25.00 monthly |
| **Minimum Deposits***Approved: 07-17-18 Effective: 07-17-18*The minimum amount required to establish a Credit Account with the Cooperative if a deposit is required. | Two times the estimated average monthly billing for a location, or $300.00 for Residential Accounts, $500.00 for Commercial Accounts, whichever is greater. |
| **Distributed Generation Application Fees/Costs** |  |
| Class I (≤ 15 kW) DG Facility *Approved/Effective 04-20-21 / 04-20-21* | $25.00 |
| Class II (> 15 ≤ 100 kW) DG Facility*Approved/Effective 04-20-21 / 04-20-21* | $100.00 |
| Class III (> 100 ≤ 1,000 kW) DG Facility*Approved/Effective 04-20-21 / 04-20-21* | $150.00 + All Engineering, Cooperative System Upgrade, and Legal Costs |
| Class IV (> 1,000 kW) DG Facility*Approved/Effective 04-20-21 / 04-20-21* | $250.00 + All Engineering, Cooperative System Upgrade, and Legal Costs |

**S.3 LINE EXTENSION/CONSTRUCTION SCHEDULE**

 (1 page)

**New Construction Credits** (Overhead and Underground Construction)

Single Phase (Excludes Underground Secondary)

*Approved: 01-19-21 Effective: 03-01-21*: $2,100.00 (maximum)

Any Credit applied to Line Extension charges shall not result in a refund payable to a Member.

**Line Extension Charges**

*Approved: 01-19-21 Effective: 03-01-21*:

Single Phase Overhead $7.00/ft

 Single Phase Underground Primary $12.00/ft

 Single Phase Underground Secondary (Limited to 200’) $500.00

**Condemnation**

 Condemnation Escrow Requirement

 *Approved: 01-19-21 Effective: 03-01-21*: $10,000.00

 Condemnation Escrow Balance Requirement

 *Approved: 01-19-21 Effective: 03-01-21*: $500.00

**Switchovers**

Switchover Fee, *Approved: 01-19-21 Effective: 03-01-21*: $230.00

**S.4 RESIDENTIAL SCHEDULE**

Approved: 09-19-2006 Effective: 01-01-2007

(1 page)

**Availability**

Available to all Members of the Cooperative for Electric Service supplied at one point of delivery and measured through one meter used for residential and farm, under 50 kilowatts. The type and capacity of motors that may be served under this Schedule shall be determined by the Cooperative on a case by case basis.

**Type of Service**

Single-phase, 60 Hertz, at available voltage.

.

**Monthly Charges**

Base Charge: $15.00 per month

Energy Charge: $0.096286 per kWh

**Minimum Monthly Charge**

The minimum monthly charge shall be the Base Charge.

**Other Charges and Terms**

Additional charges and terms as provided in the “General Provisions” section of the Schedules shall apply to this Schedule and should be applied in determining the entire Rate for Electric Service classified under this Schedule.

**Additional Conditions**

A Member with Electric Service classified under this Schedule may request a Non-Standard Meter.

**S.5 COMMERCIAL – SINGLE PHASE SCHEDULE**

Approved: 09-19-2006 Effective: 01-01-2007

 (1 page)

**Availability**

Available to all commercial, industrial, churches, public buildings and other usages not specified in other Schedules. The type and capacity of motors that may be served under this Schedule shall be determined by the Cooperative on a case by case basis. The Cooperative may require three-phase service for certain motors.

**Type of Service**

Single-phase, 60 cycle, at standard secondary voltage. Frequency and voltage shall be subject to reasonable variation.

**Monthly Charges**

Base Charge: $22.50 per month

Energy Charge: $0.094417 per kWh

**Minimum Monthly Charge**

The minimum monthly charge shall be the Base Charge.

**Other Charges and Terms**

Additional charges and terms as provided in the “General Provisions” section of the Schedules shall apply to this Schedule and should be applied in determining the entire Rate for Electric Service classified under this Schedule.

**S.6 COMMERCIAL – THREE PHASE SCHEDULE**

Approved: 09-19-2006 Effective: 01-01-2007

 (2 pages)

**Availability**

Available to all commercial, industrial, churches, public buildings and other usages requiring three-phase service with a total demand less than 50 kW not specified in other schedules.

**Type of Service**

Three-phase, 60 cycles, at available secondary voltage. Frequency and voltage shall be subject to reasonable variation.

**Monthly Charges**

Base Charge: $30.00 per month

Demand Charge: $9.29 per kW

Energy Charge: $0.052682 per kWh

**Minimum Monthly Charge**

The minimum monthly charge shall be the Base Charge.

**Determination of Billing Demand**

The billing demand shall be the greatest of the following:

1. The maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor;

2. Ten (10) kW; or

3. The minimum kW established in the contract for service.

**Power Factor Adjustment**

Member agrees to maintain a power factor required by the applicable reliability council, transmission service provider, or other entity, whichever is greater (“Required Power Factor”) and will install the necessary equipment, including capacitors, required to maintain the Required Power Factor. Upon notification by the Cooperative to the Member of the Member Facility operating at a power factor below the Required Power Factor, the Member shall take corrective action at its own expense. If the Member does not take timely corrective action to correct the power factor, the Cooperative may choose to install equipment on the Cooperative’s system, such as capacitors, to correct the power factor, and the Member will be responsible for the costs incurred by the Cooperative to purchase, install, and operate any equipment installed to correct the power factor. Member shall be responsible for paying any amounts incurred by the Cooperative for failing to maintain the Required Power Factor.

The Cooperative reserves the right to measure the Member’s power factor at any time. Should such measurements indicate that the power factor at the time of Member’s maximum demand is less than the Required Power Factor, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by the Required Power Factor and then divided by the power factor measured by the Cooperative.

**Other Charges and Terms**

Additional charges and terms as provided in the “General Provisions” section of the Schedules shall apply to this Schedule and should be applied in determining the entire Rate for Electric Service classified under this Schedule.

**S.7 LARGE POWER SCHEDULE**

Approved: 09-19-2006 Effective: 01-01-2007

 (2 pages)

**Availability**

Available to Members located on or near the Cooperative’s three-phase lines for all types of usage, with demands of 50 kW or greater.

**Type of Service**

Three-phase, demand-metered. Frequency and voltage shall be subject to reasonable variation.

**Monthly Charges**

 Base Charge: $75.00 per month

 Demand Charge: $10.96 per Billing Demand

 Energy Charge: $0.04633 per kWh

If service is at primary voltage, the Demand Charge and Energy Charge shall be reduced three percent (3%).

**Minimum Monthly Charge**

The minimum monthly charge shall be the higher one of the following charges as determined for the Member in question:

1. The minimum monthly charge specified in the contract for service; or

2. The charges specified above.

**Determination of Billing Demand**

The Billing Demand shall be the greatest of the following:

1. The maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor;

2. Sixty percent (60%) of the highest demand, as adjusted for power factor, in the most recent twelve (12) months ending in the current month;

3. Thirty (30) kW; or

4. The minimum kW established in the contract for service.

**Power Factor Adjustment**

Member agrees to maintain a power factor required by the applicable reliability council, transmission service provider, or other entity, whichever is greater (“Required Power Factor”) and will install the necessary equipment, including capacitors, required to maintain the Required Power Factor. Upon notification by the Cooperative to the Member of the Member Facility operating at a power factor below the Required Power Factor, the Member shall take corrective action at its own expense. If the Member does not take timely corrective action to correct the power factor, the Cooperative may choose to install equipment on the Cooperative’s system, such as capacitors, to correct the power factor, and the Member will be responsible for the costs incurred by the Cooperative to purchase, install, and operate any equipment installed to correct the power factor. Member shall be responsible for paying any amounts incurred by the Cooperative for failing to maintain the Required Power Factor.

The Cooperative reserves the right to measure the Member’s power factor at any time. Should such measurements indicate that the power factor at the time of Member’s maximum demand is less than the Required Power Factor, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by the Required Power Factor and then divided by the power factor measured by the Cooperative.

**Other Charges and Terms**

Additional charges and terms as provided in the “General Provisions” section of the Schedules shall apply to this Schedule and should be applied in determining the entire Rate for Electric Service classified under this Schedule.

**Additional Conditions**

The Cooperative may require the Member to comply with additional conditions for Electric Service under this Schedule depending on Member’s use of Electric Service and the Cooperative’s need to protect the Cooperative System and other Members of the Cooperative.

**S.8 OUTDOOR LIGHT SERVICE SCHEDULE**

Approved: 01-21-2021 Effective: 03-01-2021

(2 pages)

**Availability**

Available to all Members of the Cooperative for all classifications of Electric Service.

**Type of Service**

Outdoor lighting utilizing an outdoor-type lamp offered by the Cooperative (“Lamp”) and other necessary equipment by providing unmetered energy, Lamp(s), and other necessary equipment. The Cooperative will not install outdoor lighting or necessary equipment beyond the Cooperative’s meter where energy consumed by said lighting installation would be measured.

**Cooperative Equipment**

Regardless of any installation charges or Contribution-in-Aid of Construction (“CIAC”) payments paid by the Member under this Schedule, the Cooperative shall furnish and own all lamps and equipment utilized to provide the Outdoor Lighting provided or constructed by the Cooperative under this Schedule.

**Monthly Charges**

Base Charge (Outdoor Light Only): $15.00 per month

Applied to a Member’s account where Electric Service is not being metered or classified under another Schedule at the location.

***Type of Lamp kWh per month Charge per Lamp***

Residential HPS 64 $8.19 per month

Commercial HPS 146 $15.17 per month

 Residential LED 16 $8.19 per month

 Commercial LED 79 $15.17 per month

 Industrial LED 110 $18.21 per month

 Decorative LED 29 $20.76 per month

**Outdoor Lighting Connect/Disconnect Charge**

A Member requesting Outdoor Light Service shall be charged for the connecting or disconnecting Service as follows:

 OL Connect/Disconnect Charge $25.00 per lamp

**Contribution-in-Aid of Construction Installation Charges**

Pole Installation Charge (Maximum of two poles per light, not to exceed 240 feet of conductor): $250.00 per pole

Transformer Installation Charge - If the Cooperative determines that the installation of an additional transformer is necessary to provide the Service under this Schedule the Member shall reimburse the Cooperative the cost of the transformer. The type and specifications of the transformer installed shall be at the Cooperative’s sole discretion.

**Charges for Additional Construction**

The Pole Charge and Transformer Charge above are limited to the installation of two poles and a single transformer. A Member shall pay the total additional construction cost for any additional construction beyond the installation of two poles or a single transformer to provide Service under this Schedule as a CIAC payment.

**Outdoor Light Maintenance**

All maintenance of outdoor lights shall be performed by the Cooperative during regular working hours as soon as possible after being notified by the Member that outdoor light service has been interrupted.

**Power Cost Recovery Factor Charge**

For purposes of calculating the PCRF Charge for the unmetered energy utilized under this Schedule, each unmetered Lamp shall be assigned the kilowatt-hours per billing cycle referenced in the “Monthly Charges” section above.

**Other Charges and Terms**

Additional charges and terms as provided in the “General Provisions” section of the Schedules shall apply to this Schedule and should be applied in determining the entire Rate for Electric Service classified under this Schedule.

**S.9 POWER COST RECOVERY FACTOR RIDER**

Approved: 09-19-2006 Effective: 01-01-2007

 (1 page)

The Cooperative shall adjust all bills in accordance with the following adjustments if applicable.

**Power Cost Recovery Factor (PCRF)**

Each kWh of energy sold by the Cooperative shall be increased or decreased per kWh by an amount equal to:

 PCRF = (C + E) - B

 S

 Where:

 PCRF = Power Cost Recovery Factor.

 C = Total power cost from all suppliers for the most recent month, excluding certain cost of power for Electric Service delivered to Members under special contracts.

 E = Difference between actual and recovered cost in prior periods.

 S = Total estimated kilowatt-hours sold for the billing period, excluding certain kilowatt-hours sold to Members under special contracts.

 B = Base amount of $0.065682

**S.10 GENERATION RIDER**

Approved: 01-19-2021 Effective: 01-19-2021

 (2 pages)

**Application**

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

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

**Monthly Charges**

*Facilities ≤ 15 kW in Size (Class I):*

DG Charge: $15.00 per month

*Facilities > 15 kW and ≤ 100 kW in Size (Class II):*

DG Charge: $50.00 per month

**Purchases from a Member DG Facility**

*Facilities ≤ 15 kW in Size (Class I):*

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

*Facilities > 15 kW and ≤ 100 kW in Size (Class II):*

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

**Yearly True-Up for Class II Facility**

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

**Insurance Requirements and Liability**

*Facilities ≤ 15 kW in Size (Class I):*

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

REGARDLESS OF ANY INSURANCE THAT MAY BE OBTAINED, MeMBER ASSUMES ALL liability at A MEMBER’s LOCATION for member FAcilites, INCLUDING A DG FACILITY in accordance with the Cooperative’s Bylaws and Member Policies. Member SPECIFICALLY agrees to indemnify and hold the Cooperative harmless from all claims resulting from Member’s operation of A DG Facility as specifically provided in the DG Policy and as provided throughout the Cooperative’s Governing Documents.

*Facilities > 15 kW and ≤ 100 kW in Size (Class II):*

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

REGARDLESS OF ANY INSURANCE THAT MAY BE OBTAINED, MeMBER ASSUMES ALL liability at A MEMBER’s LOCATION for member FAcilites, INCLUDING A DG FACILITY in accordance with the Cooperative’s Bylaws and Member Policies. Member SPECIFICALLY agrees to indemnify and hold the Cooperative harmless from all claims resulting from Member’s operation of A DG Facility as specifically provided in the DG Policy and as provided throughout the Cooperative’s Governing Documents.