

**PEE DEE ELECTRIC MEMBERSHIP CORPORATION**

**SERVICE RULES AND REGULATIONS**

**October 11, 2012  
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**PEE DEE ELECTRIC  
MEMBERSHIP CORPORATION  
SERVICE RULES & REGULATIONS  
Docket No. EC 34-Sub.21  
Revised- October 2012**

**INTRODUCTION**

The successful operation of any business requires that uniform rules and regulations be adopted and adhered to in the day-to-day operations of the business.

In adopting the rules and regulations as set forth herein, the Board of Directors of Pee Dee Electric Membership Corporation (“Cooperative” or “Corporation”) has endeavored and intended to provide operating conditions that are fair and equitable to all members and to promote safe, adequate and uniform service to all members.

These rules and regulations are a part of every contract for service in that when the Member receives electric service from the Cooperative, the Member agrees to be bound by the provisions of the Certificate of Incorporation, the bylaws and such rules and regulations as may from time to time be adopted by the Board of Directors of the Corporation. No representative of the Cooperative has the authority to modify or change any of the service rules. The failure of the Cooperative to enforce any of the provisions of these rules shall not be considered a waiver of its right to do so.

These rules and regulations may be amended from time to time by the Board of Directors as operating conditions and situations necessitate such change. They do not reflect all policies adopted by the Board, only those related to service to the member.

## **MEMBERSHIP AGREEMENT WITH CONSUMER/OWNER**

These Service Rules and Regulations, as part of the Service Agreement between Pee Dee Electric Membership Corporation and the Member, govern the supply and receiving of electric service. Membership is available to all persons within the service area of the Cooperative on a non-discriminatory basis as set forth in the Bylaws of the Cooperative.

As a Member of the Cooperative, you are both a consumer and an owner of the Cooperative. You have the right to vote in selecting the Cooperative's Board of Directors. The Board of Directors sets policies that determine how the Cooperative operates.

We take great pride in providing you with quality service. Quality customer service, which includes reliable electric service, is our most important product. We will endeavor to maintain at all times the quality of service you expect and deserve; however, we cannot guarantee continuous and uninterrupted service.

The general summary of your rights to service are as follows:

1. You have the right to electric service if you establish satisfactory credit and provide the Cooperative with necessary and reasonable access to your property for your electric service and that of neighboring property.
2. You have the right to establish your credit in any one of three ways: (1) you have a satisfactory record with an established credit reporting service acceptable to the Cooperative, (2) a parent/legal guardian, who is a Member in Good Standing (see definition on page 11), may guarantee payment of their child's bill or (3) you may make a cash deposit with the Cooperative. The Cooperative will endeavor to fully explain all means of establishing credit.
3. If you cannot establish credit with the Cooperative, you have the right to receive service from the Cooperative through the Prepay Program. The Terms and Conditions of the Prepay Program are set forth

hereinafter and in the form of an Agreement you will sign.

4. Any security deposit you make will be interest bearing and refundable after twenty-four (24) consecutive months of maintaining the status of Member in Good Standing for payment of your electric bills.
5. You have 25 days after the billing date to pay your electric bill. After 25 days, the bill will be considered past due. If the bill is past due at the time the next month's bill is prepared, the next month's bill will show the previous month's account balance. Members whose bills become past due will be charged a past due penalty of one and one-half percent (1 1/2%) per month on the past due balance.
6. After a bill becomes past due, the Cooperative will issue a disconnect notification on the bill statement that will state the last day to pay before your electric service may be disconnected and the delinquent amount is due.
7. You have the responsibility to notify the Cooperative in writing if there is someone in your household who is either chronically or seriously ill, disabled or on an electrically operated life support system. In that case, you have the right to special handling of your account should service become subject to disconnection for your failure to pay your electric bills. During outages, please understand that special need does not insure priority restoration of service.
8. If you do not pay your account in full (or according to any agreed installments), the Cooperative will not disconnect your service (between December 15 and March 15) without notifying the North Carolina Rural Electrification Authority if there is a person 65 years or older or disabled person in your household and if you are eligible and certified to receive energy assistance from the local social services department. It is your responsibility to notify us of these conditions and to provide all necessary certifications.

9. The Cooperative will not disconnect electric service because of a delinquent bill after 4:00 p.m. on a Friday or a weekend or legal holiday for non-payment.
10. You have the right to request the Cooperative test your electric meter for accuracy and to have a report of the test results given to you. A fee, paid in advance, will be charged for the testing. The fee will be refunded if the meter is found to be outside acceptable accuracy limits.
11. You will be offered a New Member Packet to further explain the services offered by the Cooperative.
12. Upon request, the Cooperative will send you, without charge, a copy of your billing information for the past twelve months. (Not applicable to Prepay accounts.)
13. A full and prompt investigation will be made of all service complaints. The recommended order for handling quality-of-service or billing complaints is as follows:
  - a) File a complaint at the local Cooperative office and allow reasonable time for investigation, advice, and action.
  - b) File a complaint with the Cooperative's CEO/Executive Vice President, providing information and results from the initial complaint and/or naming local Cooperative personnel who handled the complaint. Allow reasonable time for the CEO/Executive Vice President to act. If the results are still not satisfactory, then:
    - c) File a complaint with the North Carolina Rural Electrification Authority in Raleigh, 4321 Mail Service Center, Raleigh, North Carolina 27699-4321, (919) 814-4696. Allow reasonable time for the Authority to act.
    - d) If results are still not satisfactory, file a written complaint with the Cooperative's Board of Directors. Allow reasonable time for the Board to act.

14. You may request and have installed by the Cooperative at your expense, types of service that exceed what is normally supplied, provided that they meet the general conditions in the Service Rules and Regulations. If you need such services, please contact us.
15. As a member of this Cooperative, you will share in margins called Capital Credits, which are assigned in the Member's name. The refunding of the Capital Credits is at the discretion of the Board of Directors.

### **Office and Service Hours**

The Cooperative's corporate/headquarters office is located at 575 U.S. Highway 52 South, Wadesboro, North Carolina. The Cooperative has a district office located at 190 Midway Road, Rockingham, North Carolina.

All offices are open for business between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday except for the Cooperative's recognized holidays. Routine and regular service work is performed during these office hours and no routine or regular service work will be performed on Saturdays, Sundays or holidays. Service work for unusual conditions or circumstances may be arranged at other times if, mutually agreeable. Emergency service work is performed 24 hours a day, 7 days a week.

Service personnel may be reached by calling your local office:

**Wadesboro (704) 694-2114      Rockingham (910) 997-4441**  
**Toll Free 1-800-992-1626**

**24-Hour Outage Reporting 1-800-693-0190 – Option 1**

**North Carolina One-Call Center – 811**  
**(Call Before You Dig)**



## STATEMENT OF NONDISCRIMINATION

Pee Dee Electric Membership Corporation is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, age, or disability shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is **Donald H. Spivey, CEO/Executive Vice President**. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organization; or the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250; or the Administrator, Rural Utilities Service, Washington, D. C. 20250. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

## DEFINITIONS

**Applicant** - A Member or prospective Member who has applied for service.

**Area Coverage** - The public policy of obligating the Cooperative to provide service, on a nondiscriminatory basis, to all persons and entities desiring electrical service within a service territory assigned to the Cooperative.

**Automated Metering** – Metering for the purpose of collecting usage and power quality data through electronic means.

**Billing Period** - The time period between two successive, scheduled meter readings.

**Capital Credits** - The Cooperative's net margins allocated to individual members and returned on a periodic basis as determined by the Board of Directors.

**Clean and maintained right-of-way** - Right-of-way area that is regularly maintained free of logs, brush, and trees.

**Cooperative** - Pee Dee Electric Membership Corporation

**Delinquent bill** –A bill is considered delinquent seven (7) days from the new bill statement that includes a past due amount at which point an appropriate fee is charged.

**Disconnect Collar** – device installed on a meter base for the purpose of connecting and disconnecting electric service from the Cooperative's offices or dispatch center

**Electric service** – The Cooperative's legally imposed duty of supplying to an established point of delivery energy service in the form of an alternating current of frequency at nominal 60 cycles per second and of various nominal voltages.

**Foreign Electricity** - Any electricity used by the Member that is obtained from a source other than the Cooperative. This includes, but is not limited to, power obtained from other power suppliers and customer-owned generators.

**Member** - Any person or legal entity who has applied for and been accepted into membership of the Cooperative for the purpose of receiving electric service.

**Member in Good Standing** - Any Member who has fulfilled all obligations of the Member for any and all accounts under the Member's name and who, within the previous 24 months has had 1) not more than two delinquent billings, 2) no involuntary disconnections, 3) no returned checks, and 4) no violation of meter tampering.

**Meter Tampering** - Diversion of power or the unauthorized alteration or manipulation of the Cooperative's meter, wires, seals, or other apparatus in such a way as to prevent the meter from recording under seal the amount of electric service supplied to the Member. (This is a misdemeanor under North Carolina General Statute 14.151 and subject to penalty and affects the status of Member in Good Standing.)

**NCEMC** - North Carolina Electric Membership Corporation located in Raleigh, North Carolina is the wholesale supplier of electric service for most Cooperatives in North Carolina. NCEMC is a cooperative-owned generating and transmitting power utility owned by the Cooperatives in the same manner that the Members receiving retail electric service from the Cooperative own Pee Dee Electric Membership Corporation.

**Past Due Bill** – A bill not paid within 25 days from the bill date.

**Permanent** - Buildings having permanent foundations and permanent water and sewer facilities.

**Person 65 years or older or Disabled** - The Cooperative accepts the certification of the local county social services department as applied to the Energy Crisis Assistance Program.

**Point of Delivery** - The point at which ownership of the electric service is transferred from the Cooperative to the

buyer. The Point of Delivery will be, unless otherwise specified, where the Cooperative's wiring system terminates in the delivery of electric service to the Member's wiring system. On overhead services the Point of Delivery will be the weatherhead, and on underground services the Point of Delivery will be the source side of the meter base; however, the Member may be required to provide and maintain certain facilities between the Cooperative's facilities and the meter.

**Seasonal** - Member, facilities or premises which are active, in use or inhabited on a part-time basis, or during only certain months of the year.

**Service Agreement** - The agreement between the Cooperative and Member consisting of the following:

**Membership card and/or Application**, if required:

- Membership fee and/or security deposit, if required,
- Prepay Agreement and required fees if service under the Prepay Program is selected,
- All necessary right-of-way easements,
- Current applicable rate schedules and riders,
- Load management agreement (if applicable), and
- Current Service Rules and Regulations, and Bylaws

**Service Voltage** - The voltage at the point where the electric systems of the supplier and the user are connected (Point of Delivery). The Service Voltage is usually measured at the service meter base or entrance and allowable variations are usually expressed on a 120-volt base.

**Standard service connection** - Unless otherwise stated or agreed by the Cooperative, the standard service connection will be single phase, 60 cycles per second electric service provided to the point of delivery at the Cooperative's standard supply voltages.

## GENERAL SERVICE RULES AND REGULATIONS

### 100 ELECTRIC SERVICE AVAILABILITY

#### 101 Application for Membership

The Service Agreement between The Cooperative and its Member will consist of the following:

- Membership card and/or Application, signed by Member and Cooperative, if required,
- Prepay Service Agreement and Fees, if selected,
- Membership fee and/or security deposit, if required,
- All necessary right-of-way easements,
- Current applicable rate schedule and riders,
- Load Management Agreement (if applicable),
- Current Service Rules and Regulations and
- Bylaws.

A supplemental written contract on a form provided by the Cooperative may be required from any applicant whose estimated demand is 150 kW or more.

The Cooperative's form of Application for Membership must be completed, signed and submitted. Applications for joint membership require the signature of each individual. Neither the Membership nor the Service Agreement is transferable or assignable; however, capital credits may be transferred to the Cooperative or to another Member if authorized by the Member. A non-refundable connection fee, as specified in Appendix B - Fee Schedule, will be required.

When two or more rate schedules and/or riders are available, the Cooperative will assist in the selection, but it is the Member's right and responsibility to determine which to select. Refer to Appendix A – Line Extension Policy for descriptions of the available Rate Schedules and Riders.

## **102 Security Deposit**

A security deposit, not exceeding the estimated average use for two monthly bills (but no less than \$350) will be collected in advance of service connection or at any subsequent time when the Cooperative determines that a deposit is needed to ensure payment of bills. A Member in Good Standing that terminates service at one location and begins like service at another location within the Cooperative's service area will not be charged a security deposit for the service of the new location.

Deposits other than those described above will be required by special contract or when, as determined by the Cooperative, such deposit is necessary due to the type of service. Such deposit will be based upon the risk of a business enterprise, the reputation and history of the premises, or the credit rating and the financial dependability of the Member.

As an alternative, the Cooperative will accept: (1) satisfactory record with an established credit rating service acceptable to the Cooperative. (2) a parent/legal guardian who is a Member in Good Standing may guarantee payment of their child's bill or (3) you may make a deposit with the Cooperative. The Cooperative will endeavor to fully explain all means of establishing credit.

The deposit will be refunded by check or by credit to your current account with interest after a period of (24) consecutive months during which the Member has fulfilled all Member obligations as provided for in the Service Agreement. The interest rate will be determined by the Board of Directors. A deposit may be required at any time if the Member's payment record falls below that of a Member in Good Standing.

Upon termination of membership, the membership fee and security deposit (if not already refunded) will be refunded or applied against any unpaid balance owed to the Cooperative.

### **103 Prepay Electric Service**

The Cooperative has adopted and offers a “Prepay Program” to its members. Under the Prepay Program, members are permitted to pay and maintain a credit toward future energy use. A deposit is not required.

The standard connect fee of \$20 applies and will be collected at the time the member establishes the Prepay Program, as well as a prepayment amount identified in the Prepay Program Service Agreement. The member must execute the Prepay Program Service Agreement.

Electric service is subject to immediate disconnection any time the amount in the prepay account does not have a credit balance. The member will not receive a “Notice of Disconnection” prior to the disconnect.

Prepay accounts are not eligible for payment arrangements.

Medical conditions, being over age 65 and/or inclement weather disconnections are subject to the rules outlined elsewhere in these Service Rules and Regulations.

Monthly billing statements will not be issued. The member can determine his/her account history, usage, charges and payments via the Internet at [www.pdemc.com](http://www.pdemc.com) or by dialing 1-800-693-0190.

The member is responsible for updating any notification settings on the prepay account. It is the member's responsibility to know and/or determine the amount of a credit balance at all times. In the event of a returned check, the check will be immediately charged back to the account with a return check fee of \$25.00. If this transaction puts the account in the negative, service will be disconnected within 24 hours.

A member may return or elect traditional service at any time. If such election occurs, the Cooperative may require full payment of a security deposit based on current policy and risk assessment.

An additional \$8.00 charge (to cover the cost of equipment and services associated with the Prepay Program) is levied within the facility charge.

Members in the Prepay Program continue to be bound by the Cooperative's Bylaws, Service Rules and Regulations, and all applicable electric codes.

#### **104 Additional Service Connections**

A Member may have any number of service connections under one membership. The Member may be obligated to pay, pursuant to the above Section 102, the applicable service security deposit and connect fee for each additional service and will be obligated to pay for all electric demand and energy used on the premises at the Cooperative's applicable rates. A Member with more than one account is equally responsible for current payment of all accounts, and service may be denied for a new service for failure to pay on another account under the same Member.

#### **105 Area Coverage and Line Facilities**

In providing area coverage service, the Cooperative will provide a standard service connection that requires no facilities or services in excess of those normally provided by or acceptable to the Cooperative. The Cooperative may require additional fees for line extensions beyond the limits as provided by Cooperative policy.

When a Member or an individual requests that the Cooperative supply electric service in a manner which requires equipment and facilities in excess of those which the Cooperative would normally provide, and the Cooperative finds it practical to do so, such excess equipment and facilities will be provided as excess facilities at the cost of the Member. Costs will be collected through excess facilities charges and/or contributions-in-aid of construction as agreed upon by the Cooperative and the Member. For a more detailed explanation of specific policies, see Appendix A – Line Extension Policy.



## **106 Metering Facilities**

All meter bases shall be installed on an exterior wall approximately six feet from the ground and at a point where the Cooperative's facilities can be constructed at reasonable cost and in accordance with sound engineering practices. Any deviation from this principle will be at the consumer's expense. The service of the Cooperative will extend to the weatherhead just in front of the meter for overhead services and to the appropriate underground meter base for underground services.

The Member shall furnish and install suitable wiring within the meter enclosure or meter socket to permit the Cooperative to install the meter without any additional materials. In case of new residential construction requiring the relocation of the meter, the meter shall be relocated at the expense of the consumer.

For large single-phase installations of over 200 amps and for all three-phase installations, the Cooperative will specify the type of meter equipment before installation of same. When requested by the consumer, metering equipment of this type shall be moved at the consumer's expense.

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

No person, except employees of the Cooperative or a qualified North Carolina licensed electrician, as approved by the Cooperative shall alter, remove or make any connections to Cooperative's meter or service equipment. No meter seal may be broken by anyone other than a Cooperative employee.

Members applying for more than one class of service on the same premises will arrange their wiring so that each class of service can be metered separately. Regardless of ownership of the facilities, the Cooperative will have the right, at its option, and at its own expense, to place

“automated meters,” demand meters, voltmeters, locking devices, or other instruments on the premises of the Member at any location for the purpose of monitoring and maintaining the Member’s service.

## **200 CONDITIONS OF SERVICE**

### **201 General Conditions**

The Cooperative will supply electrical service to the Member after all of the following conditions are met:

- A. The Member is in compliance with all aspects of the Service Agreement and agrees to be bound by the Cooperative’s Articles of Incorporation, Bylaws and Service Rules and Regulations.
- B. The Member agrees to furnish without cost to the Cooperative all necessary easements and right-of-ways over, on and under such lands owned or leased by or mortgaged to Member, and in accordance with such other reasonable terms and conditions as the Cooperative shall require for the furnishing of electric service to him or to other Members or for the construction, reconstruction, operation, maintenance, upgrade or relocation of the Cooperative’ electric facilities.
- C. The Member will allow the Cooperative to clear all right-of-ways to the Cooperative’s standards.
- D. The Member agrees to have all streets, alleys, and driveway entrances graded to within six (6) inches of final grade and have lot lines established before installation or extension of electrical service begins.
- E. The Member agrees that the Cooperative will have right of access to Members’ premises at all times for the purpose of reading meters, testing, repairing, removing, maintaining or exchanging any or all equipment and facilities which are the property of the Cooperative, or when conducting

any other business between the Cooperative and the Member. In cases where it is reasonably necessary and cost effective, the Cooperative may use, without payment to the Member, the Member's premises for accessing neighboring property served by the Cooperative.

- F. Any previous outstanding debts owed by the Member, or any other person in the Member's household, to the Cooperative have been paid.
- G. Provision of service in no way conflicts with public authorities.
- H. All Member wiring and equipment has met the requirements of the National Electrical Code and of the Cooperative, in addition to the specifications of any local authorities having jurisdiction. Proof of inspections required to meet local and state governmental standards of the premises wiring has been made available by the Member.
- I. The Member has not connected, and agrees not to connect in the future, any motors or other equipment which are not suitable for operation with the character of the service supplied by the Cooperative or which adversely affect the Cooperative's equipment or the service to other Members. For more detailed information, see Section 210.
- J. The Member agrees to be responsible for any additional facilities, protective devices, or corrective equipment necessary to provide adequate service or prevent interference with service to the Cooperative's other Members. Such loads include, but are not limited to, those requiring excessive capacity because of large momentary current demands or requiring close voltage regulation, such as welders, or Motor starting across the line.
- K. The Member agrees to be responsible for notifying the Cooperative of any additions to or changes in

the Member's equipment which might affect the quality of service or might increase the Member's demand.

- L. The Member agrees that when multi-phase service is furnished, the Member will at all times maintain a reasonable balance of load between the phases.

Three-phase motors with high-starting or fluctuating currents must be installed in accordance with the Cooperative's Rate Schedule and Riders and Rules and Regulations.

- M. The Member agrees to promptly notify the Cooperative in writing if there is someone in his/her household who is either chronically or seriously ill, disabled or on an electrically operated life support system and if the Member desires special handling of the account in the event of failure to pay electric bills. A critical care form, accompanied by doctor's note, must be completed and on file with the Cooperative. **During outages, please understand that special need does not insure priority restoration of service.**
- N. The Member agrees to promptly notify the Cooperative with proper certification of special handling of the Member's account with respect to the Cold Weather Disconnection provisions in Section 402.
- O. The Member agrees to participate in the Cooperative's Care to Share Program unless the Member contacts the Cooperative and informs the Cooperative of their desire not to participate in the program.

## **202 Standard Supply Voltages**

The Cooperative maintains one system of alternating current at a standard frequency of 60 cycles per second that is supplied throughout its system and within prudent

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

The Cooperative will strive to maintain a satisfactory voltage at the meter base in accordance with applicable standards. Members are urged to notify the Cooperative of the addition of any major electrical equipment. Damage to equipment caused by low voltage due to overloading circuits or unreported additional equipment shall be the responsibility of the Member. The Cooperative will respond to all power quality concerns and will use available monitoring equipment to attempt resolution of power quality issues.

The service voltages described below are nominal, and variations permitted will be not less than 114 volts or more than 126 volts on a 120-volt basis.

### **Secondary Voltages**

Single Phase, 2 Wire, 120 Volts  
Single Phase, 3 Wire, 120/240 Volts

Three Phase, 4 Wire, Delta 120/208 Volts  
Three Phase, 4 Wire, Delta 120/240 Volts  
Three Phase, 4 Wire, Delta 240/480 Volts  
Three Phase, 4 Wire, WYE 277/480 Volts

### **Primary Voltages**

Single Phase, 2 Wire, 2,400 Volts  
Single Phase, 2 Wire, 7,200 Volts or 14,400 Volts

Three Phase, 4 Wire, 4,160 Volts  
Three Phase, 4 Wire, 7,200/12,470 Volts or  
Three Phase, 4 Wire, 14,400/24,940 Volts

It will not be considered a violation of this voltage standard when voltages outside of the prescribed limits are caused by any of the following:

- Action of the elements,
- Service interruptions,
- Temporary separation of parts of the system from the main system,
- Infrequent fluctuations of short duration, which shall include: sags, surges, flickers, and blinks,
- Voltage control for load management purposes,
- Other causes beyond the control of the Cooperative,
- Addition of Member equipment without proper notification to the Cooperative,
- Emergency operations, or
- The operation of the Member's equipment.

### **203 Service Interruptions**

The Cooperative does not guarantee continuous and uninterrupted service and will not be liable for loss or damage to any Member's equipment, belongings, real property, business losses or consequential damages caused by any failure to supply electric service or by any interruption or reversal of the supply of electric service, if such is due to any cause beyond the reasonable control of the Cooperative.

*Such causes include, but are not limited to:*

- A. An emergency of the Cooperative, or on any other system directly or indirectly interconnect-ed with it, which requires automatic or manual interruption of the supply of electric service to some consumers or areas in order to limit the extent or damage of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, or to effect a reduction in service to compensate for an emergency condition on an interconnected system.

- B. An Act of God, or the public enemy, terrorism or insurrection, riot, civil disorder, fire, or earthquake, or an order from Federal, State, Municipal, County or other public authority.
- C. Making necessary adjustments to, changes in, or repairs on lines, substations, and facilities, and in cases where, in the Cooperative's opinion, the continuance of service to consumers' premises would endanger persons or property.

The Member will notify the Cooperative immediately of any defect in service or of any trouble or irregularity to the electric supply.

Maintenance work on lines or equipment requiring service interruption will be done, as far as practicable, at a time that will cause the least inconvenience to the Members. The Members to be affected by such planned interruptions will be notified in advance, if practicable.

#### **204 Right-of-Way Maintenance**

The Member will grant to the Cooperative, and the Cooperative will maintain right-of-way according to its specifications with the right to cut, trim and spray herbicides in order to control the growth of trees and shrubbery located within the right-of-way or that may interfere with or threaten to endanger the operation or maintenance of the Cooperative's lines or system. The Cooperative reserves the right to use tree growth regulators. When trimming right-of-way, the Cooperative will remove debris at its expense from "clean and maintained" areas; that is, an area which is regularly maintained free of logs, brush, and trees but not the removal of stumps. In other areas, right-of-way debris will be left in the right-of-way limit. The Cooperative reserves the right to maintain a minimum of ten (10) feet right-of-way free of any stumps and debris for underground lines, and thirty (30) feet for overhead lines.

Members who desire to have trees trimmed or cut which are close to Cooperative power lines and, in the opinion

of the Cooperative, pose a possible hazard to the lines may request assistance from the Cooperative in cutting or trimming. The Cooperative will schedule such work at its convenience.

### **205 Power Factor and Harmonic Voltage Distortion**

The Member will at all times maintain a power factor at the point of delivery between 95 percent (95%) and one hundred percent (100%) lagging. Where the overall power factor of the Member's load is less than 95 percent (95%) lagging, the Cooperative may require the Member to install, at the Member's own expense, equipment to correct the power factor, and may adjust the Member's billing demand as specified by the applicable rate schedule. The Cooperative reserves the right to measure the power factor at any time. No consumer shall cause the Cooperative's primary system to have more than a 5% total harmonic voltage distortion.

### **206 Foreign Electricity, Parallel Service, and Standby Generation**

The Member will not use the Cooperative's electric service in parallel with other electric service, nor will other electric service be introduced on the premises of the Member for use in conjunction with or as a supplement to the Cooperative's electric service, without the prior written consent of the Cooperative.

Where approved standby and/or supplemental on-site generation is provided by the Member, the Member will install all protective devices specified in the National Electric Code, or the National Electric Safety Code, as applicable. A double throw switch must be used to prevent possible injury to the Cooperative's personnel and equipment by making it impossible for power to feed back into the main line from the emergency generator.



## **207 Qualifying Facilities and Independent Power Producers**

The Cooperative is required to comply with the Public Utility Regulatory Policies Act of 1978 (PURPA), along with rules and regulations promulgated under PURPA as they relate to qualifying facilities (QF). Any owner/operator of a QF desiring to connect with and sell electric demand and energy to the Cooperative shall notify the Cooperative. The Cooperative will provide the owner/operator with its current rates as specified in the attached Current Applicable Rate Schedule and Riders.

Any contracts for the sale of electric demand and energy from a QF will be made between the owner/operator and the Cooperative or NCEMC. The Cooperative will assist the owner/operator in making initial contact with NCEMC.

Also through a similar prior arrangement with NCEMC, all contracts for the sale of electric demand and energy in excess of 500 kW from an independent power producer (IPP) will be made between the owner/operator and NCEMC. The Cooperative will assist the owner/operator in making initial contact with NCEMC.

## **208 Line and Facilities Conversion and Relocation**

Upon request, the Cooperative will, consistent with prudent utility practice, relocate lines, poles, and facilities upon agreement and payment of the nonbetterment cost. The Member will be required to pay in advance 75% of the cost of relocating overhead lines and the full cost of relocating underground lines. Any additional right-of-way necessary for relocation will be the responsibility of the Member to obtain. A non-member will be required to pay 100% of the cost of relocating overhead and underground lines. The North Carolina Department of Transportation will be required to pay 100% of the cost of relocating overhead and underground lines.

At a Member's request, the Cooperative may convert existing adequate overhead facilities to underground, provided that the Member pays the Cooperative for the cost incurred.

Under most circumstances, the Cooperative will, upon request and with five business days' notice, raise or lower lines to afford a safe passage for buildings or equipment being moved. Parties making such request will be required to pay the cost of the labor and any material used, plus an appropriate charge for transportation equipment. Also, such parties will be required to make a deposit, in advance, of the estimated cost to the Cooperative.

### **209 Energy Management Assistance**

The Cooperative will, at no charge, investigate, render advice and lend assistance needed for all reasonable requests of the Member pertaining to the Member's account, load management equipment, and energy conservation measures.

### **210 Adverse Effects on Others**

- A. Any consumer member of the Cooperative that adversely affects the quality of service to any other consumer or consumers by virtue of its load characteristics or operating practices or for any other reason shall be required to correct such conditions at its own expense if an investigation of the problem by the Cooperative or its designated agents determines that the consumer is the cause of the problem.
- B. No consumer shall be allowed to start a motor or operate any other electrical apparatus that shall cause an inrush of electric power exceeding 3% of the available power inrush at that consumer's location. Available inrush shall be calculated by the following formula:

$$\text{kVA inrush} = \text{Line Voltage} \times \text{Available fault current} \times 1.73$$

where Line Voltage shall be in kV (phase-to-phase) and available fault current shall be in amperes on the primary at the consumer's location, as determined by engineering calculations.

- C. The determination that a particular consumer is causing a problem that adversely affects other consumers shall be made exclusively by the Cooperative.
- D. If a consumer is notified that it is causing problems for other consumers, it shall have sixty (60) days to correct such conditions at its own expense. If the Cooperative is willing and able to correct the consumer's problem, it may elect to provide such corrections at the consumer's expense, if the consumer so requests.
- E. If, at the end of sixty (60) days the consumer has not corrected the problem, the Cooperative shall, at its discretion, either cause the problem to be corrected at the consumer's expense or disconnect the consumer from the Cooperative's distribution system.
- F. In order to be reconnected, a consumer disconnected for adversely affecting other consumers shall demonstrate to the Cooperative's satisfaction that it will not cause problems in the future. Such a consumer may be required to furnish an additional deposit, sign a new contract and pay any outstanding unpaid billing due the Cooperative and pay any reasonable fees incurred in reconnecting said consumer.
- G. If the Cooperative disconnects a consumer for adversely affecting other consumers, it is acting in the best interests of all its consumers and shall not be responsible for consequential or inconsequential damages, loss of revenue or other loss of any kind as a result of this action.

## 300 BILLING

### **301 Responsibility to Read Meter**

Meters will be read, or automated signals from your meter will be provided, and bills rendered by the Cooperative. When a meter reading cannot be obtained near the scheduled date, the meter reading and corresponding use for the period will be estimated based on prior usage. Accounts billed on an estimated basis will be adjusted as necessary when actual readings are obtained. An explanation of the meter reading process can be obtained from the Cooperative. The Cooperative periodically checks meters and other equipment on your property and in your vicinity.

### **302 Due Dates and Failure to Pay**

Bills are due and payable upon receipt and are considered past due if payment is not received in the office by the close of business on the 25th day from the billing date. If the bill is past due at the time the next month's bill is prepared, the next month's bill will show the previous month's account balance. Members whose bills become past due will be charged a past due penalty of one and one-half percent (1 1/2%) per month on the past due balance.

A bill is considered delinquent seven (7) days from the bill date of the past due bill statement and an appropriate fee will be applied to each current account.

Any account not paid by the end of seven (7) business days after becoming delinquent is subject to being disconnected on the next working day. The actual date will be stated in the "Final Disconnect Message" section of the past due bill statement. A supervisor within the Cooperative will review the account prior to disconnection to determine if the member has taken the necessary action to avoid disconnection. Any account not paid by the end of the seven (7) day period is subject to being disconnected on the next working day.

The Cooperative may dispatch field personnel to read the meter, make an effort to notify the Member, receive non-cash payment, or disconnect. The Cooperative may agree to defer action because of death or illness. The Cooperative may require non-cash payment of all past due portions of the delinquent bill plus a field collection fee, as specified in Appendix B - Fee Schedule, or disconnect the service without further notice.

The Cooperative, at its sole discretion, may install a disconnect collar for the purpose of remotely connecting and disconnecting electric service. Any fees associated with disconnection or reconnection of a meter shall follow the Fee Schedule outlined in Appendix B.

### **303 Multiple Services**

If a Member has more than one account, the Cooperative reserves the right to apply any payment made by the Member to any account owed to the Cooperative by the Member. When payment is made for multiple accounts, it is the Member's responsibility to specify the amount to be paid to each account. All funds received will first be applied to any service charge on the delinquent account(s) with the remaining funds to be applied against the electric service bill.

### **304 Bill In Dispute**

Neither a dispute concerning the amount of a bill nor a claim or demand by the Member against the Cooperative will alter the normal requirements for payment. See Complaint Procedure in Section 503 for resolution of disputed bills.

### **305 Failure to Receive a Bill or Disconnect Notification**

Failure to receive a bill statement does not exempt the Cooperative from disconnecting an account for non-payment of your electric bill.

### **306 Method of Payment**

Payments may be made through any office of the Cooperative. Payments may be made:

- in person,
- in the after-hours deposit facility,
- by mail (check, money order or credit card only),  
or
- by bank draft, credit card, debit card, on-line, electronic transfer, or automated phone system.

Cooperative employees **cannot** accept cash payments in the field. Payments by check (if acceptable according to policy) and money order in the field will be accepted after 4:30 p.m. weekdays, holidays, and weekends. Payment must be physically handed to the Cooperative's representative and may not be left at the door or meter. Any payment left in that manner will not be accepted.

Budget billing is available to a Member in Good Standing with a 12-month history. Budget Billing allows equal payments throughout the year. September of each year will be the "settle up" month to reconcile the Member's account.

Members utilizing levelized billing will be encouraged to convert to budget billing. The Cooperative no longer allows additional members to use this service.

### **307 Returned Checks and Drafts**

Any Member whose check, or checking account draft for payment of service is returned for insufficient funds or declined will be notified and fee will be charged to the Member's account. Such charges will be an amount not to exceed the maximum allowed by North Carolina law (General Statute 25-3-506). The fee will consist of a processing fee charged by Pee Dee EMC which amount shall equal any bank charges. The fee and account will thereafter be considered delinquent and the delinquent billing handled in accordance with Section 302, above. If payment is not made within seven (7) days after the date of notification, service will be discontinued. If a returned

check is for a security deposit or a non-pay reconnect fee, immediate disconnection may result. If the Cooperative receives more than two such checks or drafts from a Member in the previous 24-month period, the Cooperative may refuse to accept further checks or drafts from that Member for at least two years.

### **308 Corrections for Errors**

Billing Adjustments - Adjustments to the electric bill due to inaccurate metering equipment, errors in meter reading or billing will be made promptly. The Cooperative will issue immediate credit when it is in error and the Member will be expected to pay any appropriate additional charges as billed.

If the interval during which an error occurred causing the member to be overcharged can be determined, then the Cooperative shall credit or refund the excess amount charged during that entire period up to the applicable statute of limitations. If the Member has been undercharged, the Cooperative shall collect the deficient amount incurred during that entire interval up to the applicable statute of limitations. The applicable statute of limitations is three years.

If the interval during which the error occurred cannot be determined then the billing adjustment will be based on an appropriate estimation of usage and/or demand for a given period of time. For Members having a demand of less than 50 kW, that period will not exceed 150 days for undercharged or 12 months for overcharge. For Members having demand more than 50 kW, that period will not exceed 12 months.

When a meter stops or fails to register correctly, or if the calibration is found to be in error of more than plus or minus two percent (2%), the Member's account will be adjusted accordingly.

A Member may request in writing that a meter be tested. A report will be supplied to the Member within a reasonable time after the completion of the test. A meter test fee, as specified in Appendix B - Fee Schedule, will

be imposed and refunded if the meter is found to be in error in excess of plus or minus two percent (2%).

### **309 Credit Payment Arrangements**

At the discretion of the Cooperative, payment arrangements may be extended to Members in accordance with the following standards:

- A. When it is determined that enforcement of the policy will constitute an undue hardship in relation to the amount of the delinquent bill, and that extension of credit for a fixed time, or arrangement for installment payment of the bill will not unduly impair the Cooperative's ability to effectuate final collection of the bill; or
- B. When the Member involved establishes to the satisfaction of the Cooperative that the Member's failure to pay the bill has resulted from a mistake on the Cooperative's part or a mistake for which the Member was not responsible; or
- C. When the involved bill is a final bill covering service to a farm, home, or other residential structure and the main building thereof has been destroyed by fire not caused by act of arson on the part of the Member or the Member's family; or
- D. When disconnection of service might impose immediate danger to the Member or other persons due to illness or some hazardous condition, or when the household is immediately and directly affected by a death.
- E. All arrangements for credit must be made at one of the Cooperative's offices.

### **310 Unavoidable Cessation of Service by Member**

In the event the Member's premises is destroyed by fire, natural disaster, or other casualty, or the operation of its plant is shut down because of strike, fire, natural disaster, or other cause beyond the Member's control, making



a complete cessation of service, then upon written notice by the Member to the Cooperative within thirty (30) days thereafter, advising that the Member intends to resume service as soon as possible, any minimum charge, or guarantee occurring after such cessation of service for which the Member may be liable will be waived during the period of such cessation, and the contract will be extended for a corresponding period.

## **400 DISCONNECTION AND RECONNECTION**

### **401 Disconnection of Service by Cooperative**

Service may be disconnected after notice has been given and reasonable time to comply has been allowed for noncompliance with the Bylaws of the Cooperative, the Service Agreement with the Cooperative (if required), or any applicable Federal, State or other local laws, regulations or codes, including, but not limited to, nonpayment and refusal of access to the Cooperative's meters or other facilities on the premises.

The Cooperative may disconnect service immediately and without notice for the following reasons:

- A. Discovery of meter or load management equipment tampering or diversion of current.
- B. Use of power for unlawful, unauthorized or fraudulent reasons.
- C. By order of public authority.
- D. Discovery of an electrical condition determined by the Cooperative to be potentially dangerous and eminently hazardous to life or property of the Cooperative or the public.
- E. For repairs, emergency operations, unavoidable shortages, or interruptions in the Cooperative's supply source.
- F. Introduction of foreign electricity on the premises without prior written consent.

- G. Security deposit paid by a check/draft returned for insufficient funds.
- H. In the case of Prepay Accounts, whenever there is no longer a credit balance.

Waiver of default - Any delay or omission on the part of the Cooperative to exercise its right to discontinue service, or the acceptance of a part of any amount due, will not be deemed a waiver by the Cooperative of such right if the Member continues to be or again becomes non-compliant with the Service Agreement.

#### **402 Cold Weather Disconnection**

With respect to bills rendered between December 15 and March 15 of every year and in the spirit of the policy considerations expressed by Congress in the Public Utility Regulatory Policies Act (PURPA) of 1978, no termination shall take place without the express approval of the Cooperative's Board of Directors and notification of the North Carolina Rural Electrification Authority if the Member can establish all of the following:

- A. That a member of the Member's household is either disabled or 65 years of age or older.
- B. That the Member is unable to pay for such service in full.
- C. That the household is certified by the local social service office which administers the Energy Crisis Assistance Program or other similar programs to be eligible whether funds are then available or not to receive assistance under such programs.

The Cooperative may charge a past due penalty not to exceed one and one-half percent (1 1/2%) per month on accounts that are subject to this provision. As provided in Section 201, the Member must provide advance notification and certification of meeting the requirements for special handling of accounts.

### **403 Reconnection of Service by Cooperative**

Subsequent to the disconnection of electric service by the Cooperative for reasons listed in Section 401, service may be reconnected under the following conditions:

- A. The conditions causing the disconnection are corrected.
- B. Payment has been made for the cost of repair or replacement of the Cooperative's meter or any other properties, if tampered with or otherwise damaged or destroyed.
- C. Where the service has been discontinued for non-payment of a bill, meter tampering, unauthorized or illegal use of power, the Cooperative will have the right to refuse service to the same Member or to any other applicant who is a member of the Member's household until the infraction is corrected, credit is reestablished by the Member and all applicable accounts have been paid.
- D. The Member has agreed to comply with reasonable requirements to protect the Cooperative against further infractions.
- E. A reconnect fee, meter tampering fee and/or any other applicable service charges and security deposits, as specified in the Appendix B – Fee Schedule, have been paid.
- F. Electric service will not be reconnected after 9:00 p.m.

### **404 Termination of Service by Member**

For termination of service, the Member should give a minimum of two working day's notice prior to requested disconnection unless a written contract specifies otherwise.

A Member may voluntarily withdraw in good standing from membership under both of the following conditions:

- A. Payment of any and all amounts due the Cooperative, cessation of any noncompliance with the membership obligations, (all as of the effective date of withdrawal) and either removal to other premises not furnished service by the Cooperative or ceasing to use any central station electric service whatever at any of the premises to which such service has been furnished by the Cooperative pursuant to the service agreement; and
- B. Upon such withdrawal, the Member will receive a refund of the balance of the membership fee, if required, and of any security deposit held by the Cooperative after being applied to the Member's final bill, and in the case of Prepay Accounts, refund any credit balance.

## **500 COOPERATIVE AND MEMBER OBLIGATIONS**

### **501 Approval and Cooperative's Board Authority**

The Cooperative's Board of Directors is the governing body and is the final authority for making and revising these Service Rules and Regulations. These Rules and Regulations and Rate Schedules are on file in the Cooperative's corporate/headquarters office, and such filing and publishing will constitute official notice to all Members on such changes. Failure of the Cooperative to enforce any of the terms of these Rules and Regulations will not be deemed as a waiver of its right to do so.

In case of conflict between any provision of the Bylaws and these Service Rules and Regulations, the Bylaws will prevail. In case of conflict between any provision of a Rate Schedule or Rider and of these Service Rules and Regulations, the Rate Schedule or the Rider will prevail.

These Rules and Regulations and Rate Schedules and any changes will be filed with the North Carolina Rural Electrification Authority and, additionally, pursuant to

North Carolina law (GS 62-138(f)), with the North Carolina Utilities Commission.

**502 Responsibility of Member and Cooperative**

Electric service is supplied by the Cooperative and purchased by the Member upon the express condition that after it passes the Point of Delivery it becomes the property of the Member to be used only as provided in the Service Agreement. The Cooperative will not be liable for loss or damage to any person, property, business losses or consequential damages whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electric service after it passes the Point of Delivery or for any loss or damage resulting from the presence, character, or condition of the wires or equipment of the Member or for the inspection or repair of the wires or equipment of the Member.

It is understood and agreed that the Cooperative is merely a supplier of electric service, and the Cooperative will not be responsible for any damage or injury to the buildings, motors, apparatus or other property of the Member due to lightning, defects in wiring or other electrical installations, defective equipment or other cause not due to the negligence of the Cooperative. The Cooperative will not be in any way responsible for the transmission, use or control of the electric service beyond the delivery point, except as it might apply to the use of load management programs.

In maintaining the right-of-way, the Cooperative will not be liable for damage to trees, shrubs, lawns, fences, sidewalks or other obstructions incident to the installation, maintenance or replacement of facilities, unless caused by its own negligence.

All meters, service connections, disconnect collars, and other equipment furnished by the Cooperative will be, and will remain, the property of the Cooperative. The Member will not interfere with, or alter, the Cooperative's meters, seals, or other property, or permit the same to be done by anyone other than the Cooperative's authorized agent or employee. Damage caused or

permitted by the Member to the Cooperative's property will be paid for by the Member.

No person or organization will install or attach any wire, sign(s) or other material or equipment to any of the Cooperative's poles, conductors or other fixtures, except with express written consent of the Cooperative.

To the extent that Members may require electric service at a level of less variation allowed under the standard service, any additional equipment required by the Member to ensure the level of power quality will be at the Member's expense. The Cooperative will assist the Member in the technical development of the power quality electric service.

### **503 Complaint Procedure**

A full and prompt investigation will be made of all service complaints. The recommended order for handling quality of service or rate complaints is as follows:

- A. File a complaint at the local Cooperative office and allow reasonable time for investigation, advice, and action. If the results are not satisfactory, then:
- B. File a complaint with the Cooperative's CEO/Executive Vice President, providing information and results from the initial complaint and/or naming local Cooperative personnel who handled the complaint. Allow reasonable time for the CEO/Executive Vice President to act. If the results are still not satisfactory, then:
- C. File a complaint with the North Carolina Rural Electrification Authority in Raleigh, North Carolina, 4321 Mail Service Center Raleigh, North Carolina 27699-4321, (919) 814-4696. Allow reasonable time for the Authority to act, then:
- D. If results are still not satisfactory, file a written complaint with the Cooperative's Board of Directors. Allow reasonable time for the Board to schedule the

item at a regular meeting. Allow reasonable time for the Board's orders on the matter to be carried out.

## **APPENDIX A**

### **LINE EXTENSION POLICY**

#### **1. AREA COVERAGE EXTENSION POLICY**

Upon application for service, the Cooperative, on the basis of its standard applicable rates and Service Rules and Regulations, will extend its facilities and furnish electric service within its service area to any Member unless the distance of such Member from the Cooperative's existing facilities and/or the nature of the load to be served such would impair or unduly jeopardize the financial feasibility of the Cooperative's operations. In that event, the Cooperative will extend and furnish such service on the basis of its standard applicable rates, but upon receiving such contributions-in-aid of construction and/or facilities extension deposit as it shall determine appropriate and sufficient to make such service feasible. The specific requirements will be submitted through a proposal for appropriate review. The Cooperative shall retain ownership of all material and facilities installed by the Cooperative for the distribution of electricity whether or not the Member has made a contribution-in-aid of construction. All lines and facilities constructed or installed by the Cooperative are the property of the Cooperative.

#### **2. SPECIFIC EXTENSION POLICY**

- I. Individual/Non-Commercial
  - A. Residential – Permanent Residence
  - B. Mobile Home and Other Non-Permanent Residence
  - C. Construction Service (Saw Service)
  - D. Seasonal and Limited Use
  - E. Temporary Service
- II. Underground Subdivision/Development



III. Commercial, Industrial, Farm and Public Building – contract for load in excess of 150 kVA in demand

IV. Other

- A. Underground Primary to Individual Service
- B. Conversion of Secondary
- C. Conversion of Primary
- D. Raising/Lowering Lines for Safe Passage
- E. Relocation of Lines

V. Security Lighting

VI. Street Lighting

VII. Consumer Classifications

VIII. Service Connections

IX. Location of Electric Service

X. Resale of Power

XI. Rate Schedules

## I. INDIVIDUAL/NON-COMMERICAL

The Cooperative will extend primary overhead lines to any permanent residence along any North Carolina Department of Transportation maintained road and up to 1,500 ft. from the main line to the transformer. A contribution-in-aid of construction will be required from the Member for construction costs incurred beyond the distances stated above.

The Cooperative will consider a ***permanent residence*** as a single family dwelling with a permanent masonry foundation, permanent water and sewer facilities, all axles and tongues removed (if applicable) from the home, and must be occupied twelve (12) months out of each year. The homeowner must own the home site.

The Cooperative will require homes to comply with the provisions of the National Electric Safety Code, National Electric Code, local codes and the Cooperative's Bylaws and Service Rules and Regulations. Any deviation from this principle will be at the Member's expense.

The service of the Cooperative shall extend to the weatherhead of the service entrance or meter loop for overhead service and the meter base for underground

service, except in three-phase metering using current transformers.

The cost listed below represents the Cooperative's standard policy and will be subject to Engineering's judgment of cost. The costs will apply to single-phase service only. The Cooperative retains the right to determine when single-phase service is sufficient for the load to be connected and when three-phase service would be required.

Cost will be determined by classification of construction as follows:

- **Residential – Permanent Residence**
- **Mobile Home and Other Non-Permanent Residence**
- **Seasonal and Limited Use**
- **Temporary Service**

**A. Residential – Permanent Residence**

***Primary Overhead***

- 1,500 ft. from main line – no charge
- Over 1,500 ft. – full cost to Member
- D.O.T. maintained road – no charge

***Primary Underground***

- \$8.00 per ft./per phase

***Secondary Overhead***

- No charge – distance limited to Engineer's discretion
- Typically 300 ft. max.
- One (1) pole – no charge
- Each additional pole - \$150.00 plus tax

***Secondary Underground***

- 125 ft. ground distance – no charge
- Over 125 ft. ground distance \$4.00 per ft.

## **B. Mobile Home and Other Non-Permanent Residence**

Mobile homes will not be connected in areas where the installation is forbidden by any law or ordinance passed by a governing body. Meter base and/or pole shall meet National Electric Safety Code, National Electric Code, local codes and the Cooperative's Bylaws and Service Rules and Regulations.

### ***Primary Overhead***

- 1,000 ft. from an existing line – no charge
- Over 1,000 ft. – full cost to Member

### ***Primary Underground***

- Full cost - limited to Engineer's discretion

### ***Secondary Overhead***

- No charge – distance limited to Engineer's discretion
- Typically 300 ft. max.
- One (1) pole – no charge
- Each additional pole - \$150.00 plus tax

### ***Secondary Underground***

- 125 ft. ground distance – no charge
- Over 125 ft. ground distance \$4.00 per ft.

## ***C. Construction Service (Saw Service)***

Prior to rendering service, the appropriate inspector must inspect a Construction Service and the office of the Cooperative must receive the inspection certificate. A single phase, overhead service will be constructed without cost to the Member when the temporary service is to be used for the construction of a new home or establishment which upon completion, will require electrical service to be furnished by the Cooperative. These services may remain for a maximum period of twelve (12) months.

## ***D. Seasonal and Limited Use***

For Seasonal and Limited Use of electric service (i.e. tobacco barns, shops, water pumps, campers, cabins, fence chargers,

church sponsored facilities, hunting lodges, etc.), service will be provided as follows:

***Primary Overhead***

- 600 ft. – no charge
- Over 600 ft. – full cost to Member

***Primary Underground***

- Full cost
- Limited to Engineer's discretion

***Secondary Overhead***

- No Charge – distance limited to Engineer's discretion
- Typically 300 ft.

***Secondary Underground***

- \$4.00 per ft. ground distance
- None free

As the investment in seasonal installations equals or sometimes exceeds that of permanent installations, it is necessary for the Cooperative to receive some income on its investments. To encourage members to keep the seasonal account active year round, a \$80 connect fee will be collected in place of the standard connect fee and \$80 disconnect fee will apply. This will be in addition to the membership fee and security deposit (if required).

***E. Temporary Service***

Temporary Service will be extended to churches, fairs, carnivals, etc. and to include construction of facilities such as bridges and other small structures where no power is used in the completed building. The service will be extended upon payment by the Member of a contribution-in-aid of construction based on the cost of installation and removal of facilities, plus the estimated loss due to retirement.

No security deposit will be required and an estimated charge for kWh usage may be collected prior to connecting service.

## II. UNDERGROUND SUBDIVISION/DEVELOPMENT

A ***subdivision/development*** is considered as permanent residence of ten (10) or more continuous lots to be developed within three years.

The Cooperative may limit the extent of the installation in a development to that area which in the Cooperative's judgment is likely to be occupied within a reasonable period of time in order to avoid excess investment in idle facilities. The owner/developer may obtain installation in the additional area by paying a \$2,000 deposit per lot, or at the Cooperative's option a letter of credit or surety bond in lieu of a deposit, equal to the total installed cost of the facilities to serve the additional area. Deposits are reviewed annually and are subject to refund based on the pro-rata portion of the Cooperative's idle facilities needed to serve members during the preceding 12 months. Any deposit or portion held by the Cooperative for five years will no longer be subject to refund.

The type of construction and the location of said facilities will be at the option of the Cooperative. The Cooperative reserves the right to maintain a minimum of ten (10) feet right-of-way free of any stumps and debris. Should the owner/developer desire changes in either the location or type of construction, such installations will be made only upon the owner/developer agreeing to pay to the Cooperative the estimated additional cost incurred thereby.

The Cooperative shall have the option of placing transformers above ground, on pads of its specification and/or design, or underground and in enclosures of its specification and/or design, as determined to be practicable in the Cooperative's sole discretion.

For large subdivision lots requiring additional primary underground from the main subdivision underground circuit to the pad-mount transformer, a charge of \$5.00 per foot for each foot beyond 200 feet will be required from the developer or homeowner. The Cooperative will make the sole determination when this is necessary to provide adequate electric service.

Mobile Home Parks will be handled on a case-by-case basis.

***The Owner/Developer:***

- May be assessed for additional charges when due to rock, high water tables, cutting through pavement, or unusual circumstances exceed normal cost
- Will furnish, without cost to the Cooperative, necessary easements and will be responsible for the original clearing of the same. The owner/developer will be required to have right-of-ways, streets, sidewalks, entrances, etc. graded to within six inches of final grade and lot lines established before the construction of the electrical system begins.
- Will be responsible for the protection of shrubs, trees, grass or flowers during the installation of the service and shall hold harmless the Cooperative and/or its subcontractors against any claims for such damage.
- Will be responsible to reseed and/or maintain the trench cover.
- Shall locate meter base nearest the source of the Cooperative's electric facilities.

**Primary Underground**

- Average 200 ft. or less of front lot footage --- No charge
- Excess of 200 ft. front lot footage - \$5.00per ft. over 200 ft.

**Secondary Underground**

- 125 ft. ground distance – no charge
- Over 125 ft. ground distance - 4.00 per ft.

**III. COMMERCIAL, INDUSTRIAL, FARM AND PUBLIC BUILDING – CONTRACT FOR LOAD IN EXCESS OF 150 KVA IN DEMAND**

It shall be the policy of this Cooperative to provide service to applicants that are to be served under the Large Power Rate Schedule under the following terms and conditions:

- A contract will be established with the Member for five or more years for load in excess of 150 kVA in demand.

- The Cooperative will assume an investment of \$150 per kVA of transformer capacity. The investment required to serve the applicant above this amount shall be the obligation of the consumer and means for amortizing the excess investment shall be worked out with the applicant on an individual basis.
- Capital credits for Members served under the Large Power Rate Schedule may be figured individually if, in the judgment of management, the overall capital credit percentage would not be accurate.

The Cooperative will extend its overhead secondary service from the transformer bank to one designated location.

For underground primary and pad-mounted transformers, the transformer will be located as close as practical to the load and the consumer will furnish the service to the transformer or to a weather proof junction box on the exterior of the building. For transformers 250 kVA or larger, the Member shall be responsible for pouring a concrete transformer pad.

#### **IV. OTHER**

##### ***A. Underground Primary to Individual Service***

Upon request, the Cooperative will install underground primary to individual service provided that the consumer pays the estimated excess cost of installing underground over the cost of the overhead service.

##### ***The Member:***

- May be assessed for additional charges when due to rock, high water tables, cutting through pavement, or unusual circumstances exceed normal cost.
- Will be responsible for the protection of shrubs, trees, grass or flowers during the installation of the service and shall hold harmless the Cooperative and/or its subcontractors against any claims for such damage.

- Will be responsible to re-seed and/or maintain the trench cover.

### ***B. Conversion of Secondary***

At the written request of a Member, the Cooperative will replace existing overhead service drops with underground service, upon the following terms and conditions:

The Member will be required to pay a \$300.00 non-refundable charge to remove the existing overhead service and install the new underground service up to 125ft. If the service entrance capacity is increased to 200 amps or greater, the charge will be waived.

The Member shall pay any expense incurred in relocating the Member's service entrance facilities to accommodate the underground service drop.

#### **Underground Service Drop**

- \$300 non-refundable fee
- Which includes 125 ft. – no charge
- Over 125 ft. - \$4.00 per ft.

### ***C. Conversion of Primary***

At a Member's request, the Cooperative may convert existing adequate overhead facilities to underground, provided that the Member pays the Cooperative for the entire cost incurred.

### ***D. Raising/Lowering Lines for Safe Passage***

Under most circumstances, the Cooperative will, upon request, raise or lower lines to afford a safe passage for buildings or equipment being moved. Parties making such request will be required to pay the cost of the labor and any material used, plus an appropriate charge for transportation equipment. Also, such parties will be required to make a deposit, in advance, of the estimated cost to the Cooperative. All raising/lowering requests will be at the discretion of the Cooperative.



## **E. Relocation of Lines**

The Cooperative will discourage requests for relocation of lines; however, when it is deemed that such relocation will provide material benefits to the maker of the request and does not harm the Cooperative, such may be done provided the person making the request agrees to pay 75% of cost for the relocation. This cost applies to primary and secondary overhead service only. For requests of any underground relocation, the maker will pay the entire cost.

It shall be expected that when lines are relocated at the request of the North Carolina Department of Transportation for road changes, the Department of Transportation will pay the total relocation cost. The entire cost of relocating lines shall be borne by the Cooperative when such changes are for the betterment of the Cooperative's electrical distribution system.

<b>Non-member</b>	Full cost
<b>Member</b>	75 % of cost
<b>N. C. Dept. of Transportation</b>	Full cost

## **V. SECURITY LIGHTING**

Security Lighting is available to any consumer of the Cooperative. The Cooperative will provide and maintain pole mounted lighting fixtures.

### ***Overhead***

- No charge – maximum distance is 200 ft. and one pole free; each additional pole - \$150.00 plus tax

### ***Underground***

- \$4.00 per ft. for all ground distance

***Non-standard lighting will be handled on a case-by-case basis.***

The Cooperative will be responsible for all necessary maintenance due to normal wear and tear on security lights. Such routine maintenance will be covered in the flat monthly rate covering the installation during normal working hours. At the Cooperative's discretion, existing security lights

encumbered by trees may be relocated upon payment of a \$150 relocation fee.

Any right-of-way clearing necessary beyond the basic trimming of trees will require a contribution-in-aid of construction at cost.

At locations where security lights are continuously damaged by vandalism, the Cooperative will either remove the light from the location or require that repairs due to vandalism be paid for by the Member in whose name the account is listed.

There shall be a \$80 fee to connect and/or reconnect security lights on a seasonal basis.

## **VI. STREET LIGHTING**

Street lights will burn from dawn to dusk. Dusk is a period before nightfall and in the illumination of lamps it will be considered as being approximately 30 minutes after sunset. Dawn is a period after daybreak and in the illumination of lamps it will be considered as being approximately 30 minutes before sunrise.

The Cooperative will use reasonable diligence to see that all lamps are burning each night but do not guarantee the lamps against burnouts and breakage. The municipality or Members within a subdivision will be responsible for notifying the Cooperative of any and all lamps which are not burning and the Cooperative will have three days to replace the lamps.

The Cooperative will require a payment of 75% of the non-betterment costs if the municipality or residential subdivision request the Cooperative to relocate its street lighting facilities.

The municipality, developer, or Member's within a subdivision shall furnish, without cost to the Cooperative, satisfactory right-of-ways or franchise for the Cooperative to install its street lighting facilities.

**Municipal Street Lighting** - The Cooperative will install and/or extend its street lighting system upon request at the locations designated by the Municipality.

The standard street lighting will include a light with a six or ten-foot arm mounted on an existing wood distribution pole within 500 feet of a distribution transformer. The rate states additional charges if the Cooperative must add a pole or a transformer for street lighting purposes.

Additional information regarding street lighting may be found in Schedule 8 of the Cooperative's electric rate schedules.

**Subdivision Street Lighting** – During the developmental stage of a residential subdivision, the developer shall pay a pro rate share of the monthly street lighting charge based on the number of undeveloped lots within the subdivision.

Further information regarding street lighting for residential subdivisions can be found in Schedule 10 in the Cooperative's electric rate schedules.

All other street lighting installations, other than those specified in Schedule 8 and 10, will be considered non-standard. All non-standard installations will incur a monthly charge of 1.8% of the additional cost of the non-standard installation above the cost of a standard installation.

## VII. CONSUMER CLASSIFICATIONS

***Residential Service*** – Applicable for residential use supplied through one meter to each residence.

***General Small Service*** – Applicable to non-residential consumers whose requirements do not exceed 50 kVA of transformer capacity.

***Large Power Service*** – Applicable to consumers whose load requirements cause the Cooperative to install transformer capacity in excess of 50 kVA, but whose load does not exceed 3,000 kW in demand.

***Industrial Power Service*** – Applicable to consumers whose load exceeds 3,000 kW in demand.

***Security Lighting*** – Applicable to any consumer of the Cooperative.

***Street Lighting*** – Applicable for lighting dedicated to public streets installed at the request of a municipality or along public streets within a residential subdivision that is located outside the corporate limits of a municipality at the time of installation. Not available for lighting parking lots or other public or commercial areas within the residential subdivision.

***Seasonal Consumers*** – Seasonal and/or limited use of electric service.

## **VIII. SERVICE CONNECTIONS**

The Cooperative will furnish and install only one service drop to a metered point.

The point of attachment furnished by the consumer must be located at a point where the Cooperative's facilities can be constructed at reasonable cost and in accordance with sound engineering practices. Any deviation from this principle will be at the consumer's expense.

Only one household may be served from one meter. The running of conductors from one building to another for the purpose of serving another household is not permissible.

## **IX. LOCATION OF ELECTRIC SERVICE**

The Cooperative has the right, in rendering service, to install poles, lines, and transformers or other equipment on consumer's property, and to locate the delivery point and meter thereon, as the Cooperative decides this should be done, considering among other things economics of construction, adequacy of electric service, and aesthetic appearance. All damages to the Member's property shall be the Member's responsibility unless said damage is caused by the Cooperative's negligence.

## **X. RESALE OF POWER**

Consumers shall not directly nor indirectly resell electric energy for any purpose. Consumers shall not divert electric energy to other premises or use it for purposes other than those permitted by Bylaws, Service Rules and Regulations of the Cooperative, and by state or local laws, rules and codes.

**XI. RATE SCHEDULES**

<b><i>SCHEDULE</i></b>	<b><i>TYPE OF SERVICE</i></b>
1	Residential Service
3 & 4	General Small Service
6	Large Power Service
7	Security Light Service
8	Municipal Street Lighting Service
10	Residential Subdivision Street Lighting Service
1TOU	Residential Time-of-Use Service
3TOU & 4TOU	General Small Time-of-Use Service
14	Industrial Power Service

## APPENDIX B FEE SCHEDULE

<b>Membership Fee</b> -----	not required
<b>Security Deposit</b> -----	if credit is not established, less than \$350.00 or two months estimated usage
<b>Connection Fee (per connection)</b> -----	\$20.00
<b>Prepay Account . . . initial credit balance</b> -----	\$50.00

### Delinquent Fees:

- **Past Due Penalty**----1½% per month of past due balance
- **Disconnect Notification Fee** -----\$10.00
- **Disconnect Fee**-----\$30.00
- **Reconnect Fee:**
  - **Regular Hours**-----\$30.00
  - **After Hours**-----\$60.00
- **Meter Tampering Fee:**
  - First Offense-----\$250.00
  - Second Offense-----\$500.00
- **Meter Test Fee**-----\$50.00
- **Returned Check/Draft Charge**-----\$25.00

### RESIDENTIAL – PERMANENT RESIDENCE

#### **Primary Overhead**

- 1,500 ft. from the main line – no charge
- Over 1,500 ft. – full cost to Member
- N.C.D.O.T. maintained road – no charge

#### **Primary Underground**

- \$8.00 per ft./per phase

#### **Secondary Overhead**

- No charge – distance limited to Engineer’s discretion
- Typically 300 ft. max.

- One (1) pole – no charge
- Each additional pole - \$150.00 plus tax

***Secondary Underground***

- 125 ft. ground distance – no charge
- Over 125 ft. ground distance – \$4.00 per ft.

**MOBILE HOME AND OTHER NON-PERMANENT RESIDENCE**

***Primary Overhead***

- 1,000 ft. from an existing line – no charge
- Over 1,000 ft. – full cost to Member

***Primary Underground***

- Full cost - limited to Engineer's discretion

***Secondary Overhead***

- No charge – distance limited to Engineer's Discretion
- Typically 300 ft. max.
- One (1) pole – no charge
- Each additional pole - \$150.00 plus tax

***Secondary Underground***

- 125 ft. ground distance – no charge
- Over 125 ft. ground distance – \$4.00 per ft.

**SEASONAL AND LIMITED USE**

***Connect Fee***

- \$80.00

***Primary Overhead***

- 600 ft. – no charge
- Over 600 ft. – full cost to Member

***Primary Underground***

- Full cost - limited to Engineer's discretion

***Secondary Overhead***

- Typically 300 ft.

**Secondary Underground**

- \$4.00 per ft. ground distance
- None free

**UNDERGROUND SUBDIVISION/DEVELOPMENT**

**Primary Underground**

- Average 200 ft. or less of front lot footage – No charge
- Excess of 200 ft. front lot footage - \$5.00 per ft. over 200 ft.

**Secondary Underground**

- 125 ft. ground distance – no charge
- Over 125 ft. ground distance \$4.00 per ft.

**CONVERSION OF SECONDARY**

**Underground Service Drop:**

- \$300 nonrefundable fee
- 125 ft. ground distance – no charge
- Over 125 ft. ground distance - \$4.00 per ft.

**RELOCATION OF LINES**

<b>Non-Member</b> .....	Full cost
<b>Member</b> .....	75% of cost
<b>N. C. Dept. of Transportation</b> .....	Full cost

**SECURITY LIGHTS**

**Overhead**

- No charge – maximum distance is 200 ft. and one pole free
- Each additional pole - \$150.00 plus tax

**Underground**

- \$4.00 per ft. for all ground distance