Sumter EMC
Your Member-Owned Electric Cooperative

Service Rules and Regulations

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Table of Contents

Definitions 4

100 ELECTRIC SERVICE AVAILABILITY 6

101 Application for Membership 6

102 Service Security Deposits 7

103 Prepaid Electric Service 11

200 DISTRIBUTION LINE EXTENSIONS 13

201 Line Extensions by Consumer Category 13

203 Facilities Extension Ownership 21

300 SERVICE CONNECTIONS, MEMBER WIRING, AND MEMBER EQUIPMENT 22

301 Service Connections 22

302 General Wiring Requirements 23

303 Member Equipment 23

304 Power Factor Correction 24

305 Phase Load Balance 25

306 Reselling of Electricity 25

307 Service Interruptions 25

400 CONSUMER RATE CLASSIFICATION 25

401 Rate Schedule Availability 25

402 Filing of Rate Schedules 26

500 METERING 26

501 Electric Meters 26

502 Meter Reading 26

503 Incorrect Reading of Meter 26

505 Meter Tests 26

506 Tampering with Cooperative Equipment, Current Diversion, Theft of Services 27

507 Seasonal Restrictions for Non-pay Disconnect 28

600 BILLING 28

601 Billing Period and Payment of Bills 28

602 Disconnect for Failure to Pay and Reconnection Fee 29

603 Returned Checks and Electronic Payments from Bank 29

604 Failure to Receive a Bill 30

605 Other Reasons for Disconnections or Reconnection 30
606 Extension of Credit 31
607 Payment of Multiple Accounts 31
609 Incorrect Billing 32
700 EASEMENTS, RIGHT OF ACCESS AND COOPERATIVE PROPERTY 32
701 Member to Grant Easements to Cooperative if Required 32
702 Right of Access 33
703 Relocating of Poles and Other Facilities 33
704 Retirement of Facilities 33
800 MEMBER WITHDRAWAL 34
801 General Conditions for Member Withdrawal 34
900 MATERIAL SALES AND SERVICE 34
901 Sale of Miscellaneous Electric Service Inventory Items 34
902 Sale and Installation of Meter Poles and Pedestals 34
1000 POLE ATTACHMENTS 34
1001 Pole Attachment Engineering Fees 34
Sumter EMC Statement of Nondiscrimination 35
Revisions of Service Rules And Regulations 36

DEFINITIONS

For the purpose of better understanding of these Service Rules and Regulations, the words and expressions listed below shall have the following meanings:

Abbreviations: The following commonly used abbreviations will be used:

Horsepower	HP
Kilovolt ampere(s)	kVA
Kilowatt(s)	kW
Kilowatt Hour(s)	kWh
Reactive Kilovolt Ampere	kVAR

Agreement or Application: A written contract or service request for a supply of electric service.

Apartment: Premises containing two or more residential dwelling units. (Hotels, tourist camps, motels, hospitals, nursing homes, etc., consisting primarily of guest rooms and/or transient accommodations are not included.)

Auxiliary Service: Service supplied for a part of a consumer's electric requirements, the wiring for which is entirely separate and apart from the wiring to the remainder of the consumer's electric requirements when the latter are furnished by the consumer's privately owned generating equipment.

Billing kW or Billing kVA: Consumer's maximum load expressed in kW or kVA (as adjusted in accordance with the applicable rate) which will be used in the calculation of the bill.

Billing Cycle: Cooperative's schedule for meter reading and billing which defines the starting dates for billing periods.

Billing Period of Month: The interval between two consecutive meter readings that are taken for billing purposes. Such readings will be taken as nearly as practical every 30 days. All rate schedules are on the basis of charges per month unless otherwise specifically stated in the rate schedule.

Contracted Capacity: Consumer's specified requirements expressed in hp, kW, or kVA for which the consumer contracts and the Cooperative is obligated to supply.

Consumer: The individual, partnership, corporation, or other legal entity in whose name service is rendered at a single premise.

Cooperative's Point: The point of the physical connection between the Cooperative's and the consumer's facilities beyond which point the consumer receives and assumes responsibility and liability for the service rendered.

Delivery Voltage: The voltage of the Cooperative's facilities at the delivery point.

Energy: The active component of the quantity of supply expressed in kWh.

Hertz: The unit of frequency, cycles per second.

kWh: The use of the active component of power.

Meter: The complete installation of equipment needed to measure the maximum load and/or energy supplied to the consumer.

Metered Voltage: The voltage at which service is metered irrespective of the delivery voltage.

Mobile Home: A portable vehicular structure, constructed on a chassis and designed to be used without permanent foundation as a dwelling unit. A mobile home park is defined as a developed area of land containing water and sewer systems, containing streets, and five or more contiguous sites for mobile homes, each site containing at least 2,000 square feet (exclusive of streets, recreational areas, parking areas, and any commercial areas.)

Nominal Voltage: The designated voltage assigned to a circuit or system of a given voltage class for the purpose of convenient identification.

Overhead System: Those parts of the Cooperative's distribution system which are constructed on and supported primarily by wooden poles.

Permanent Residence: That dwelling in which a consumer lives regularly and uses as his address when filing with the Internal Revenue Service and when registering to vote.

Power Factor (PF): In rate schedules providing for power factor adjustment, PF will be calculated from the relation between the kVA and the active kW components of demand used, expressed in percent.

Premises: A distinct portion of real estate on which is located the living quarters for the use of a single family, or the main building of a commercial or of an industrial consumer and which may include the outlying or adjacent buildings used by the same consumer, provided the use of service in the outlying buildings is supplemental to the service used in the main residence or buildings.

Primary Line: Any distribution line of the Cooperative operated at a voltage of 7,200 or 14,400 volts.

Rate Schedule: A part of the tariff which sets forth the availability and charges for service supplied to a particular class of consumers.

Residential Dwelling Unit: An individual residence including mobile homes and trailers, a room or combination of rooms with facilities for private living for a single family.

Rider: A part of the Service Rules and Regulations and Rate Schedules setting forth supplemental provisions which have limited applications to rate schedules.

Seasonal Service: Service rendered to a permanent member for a short-term operating period each year, with or without some off-season use.

Secondary Line: Any distribution line of the Cooperative operated at a voltage under 7,200 volts.

Service Area: Any premise, area, or tract of land lying within the legal territory of the Cooperative as defined in the Georgia Territorial Electric Service Act and administered by the Georgia Public Service Commission.

Service Regulations: A booklet describing the Cooperative's requirements for connection of its electrical system. It is used as reference primarily for electricians and contractors planning on constructing buildings or installing, repairing or renewing apparatus or equipment to be connected to the Cooperative's distribution system.

Standby Capacity: Service available for consumer's requirements in whole or in part, for use in the event of temporary in operation of consumer's privately owned generating equipment.

Substation: The electric equipment and structures, including transformers, switches, protective devices and other apparatus necessary to transform energy from a transmission voltage.

Temporary Service: Service rendered to a transient member for a single short term of less than twelve months duration.

Transmission Lines: Any line of the Cooperative operated at a voltage of 44,000 to 235,000 volts for the purpose of transmitting power to distribution points from power generating stations.

Underground System: Those parts of the Cooperative's distribution system which are constructed and installed underground.

100 ELECTRIC SERVICE AVAILABILITY

101 Application for Membership

Any person (as defined in Section 1.01 of the Cooperative's Bylaws) using, receiving, or purchasing any service, product, commodity, equipment or facility from or through the Cooperative, reasonably related to the Cooperative furnishing, or the Person receiving: (1) electric power or (2) any other utility service, (collectively, "Cooperative Services"), is eligible to become a member.

Application for membership - wherein the applicant shall agree to purchase Cooperative Services from the Cooperative and to be bound by and to comply with the Cooperative's Articles of Incorporation, Bylaws, Board policies and all rules, regulations and rate schedules established pursuant thereto, as all the same then exist or may thereafter be adopted or amended (the obligations embraced by such agreement being hereinafter called "membership obligations"), shall be made in writing on such form as is provided therefor by the Cooperative. With respect to any particular classification of service for which the Board of Directors shall require it, such application shall be accompanied by a supplemental contract, executed by the applicant on such form as is provided therefor by the Cooperative. The membership application shall be accompanied by a $5.00 membership fee (together with any service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction that may be required by the Cooperative) which fee (and such service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction, if any) shall be refunded in the event the application is not approved.

Upon the termination in any manner of a person's membership, he or his estate, as the case may be, shall be entitled to refund of his membership fee (and to his service security deposit, if any, theretofore paid the Cooperative), less any amounts due the Cooperative.

In case of a conflict between the provisions of this Service Rule and Regulation #101, Application for Membership, and the provisions of the Cooperative's Bylaws, the provisions of the Cooperative's Bylaws shall control.

102 Service Security Deposits

A. General Requirements Applicable to All Classes

A service security deposit shall be collected in advance of connecting any service with respect to which the Cooperative determines that such deposit is needed to assure payment of the power bill.

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

1. Type of service involved;
2. Risk involved in a new business enterprise;
3. The reputation of the involved premises;
4. The credit rating of the consumer;
5. History of connects, disconnects, and reconnects at the involved premises or for the involved consumer; and
6. Any other factor having a realistic bearing on the consumer's financial dependability.

For high-risk cases, the Cooperative may charge a deposit, not to exceed two times the average monthly bill, if the following conditions apply:

1. The consumer has established a poor payment history with the Cooperative in the past. (History shows returned checks, disconnects, or bad debt.)
2. The Utility Payment Report from the previous utility indicates poor payment history.
3. Proper identification cannot be provided.
4. Other conditions indicate that lesser deposits may create security risks for the Cooperative.

In the case where a customer left owing Sumter EMC a balance (bad debt), a deposit of two times the average monthly bill at the location of service will be required. In addition, any bad debt remaining must be paid with the deposit and fees before service will be connected.

B. Security Deposit Requirements Applicable to Specific Classes

1. Residential (Homeowner or Renter)

    a. A security deposit will be set after assessing the credit risk of each residential customer using the Online Utility Exchange as follows:

1) Verification of Social Security Number

2) Credit Risk Score

- Green Light – Deposit waived.
- Yellow Light – Charge $150.00 deposit. The collection of the $150.00 may be in two components: collect $100.00 in advance of connecting service and add $50.00 to the first monthly electric service bill.
- Red Light – Charge $250.00 or up to two times the average expected bill. The collection of the $250.00 may be in two components: collect $125.00 in advance of connecting service and add $125.00 to the first monthly electric service bill.

b. Utility Payment Report

1) The Cooperative may accept in lieu of a security deposit a utility payment report from the previous utility provided that the consumer has no previous bad debt experience with Sumter EMC, and the Utility Payment Report from the most recent power supplier meets all the following conditions:

- The Utility Payment Report indicates the consumer has paid utility bills on a timely basis for the most previous twelve consecutive months.
- The consumer has had no checks returned and has not been disconnected for non-payment for twelve months.
- The consumer has left the utility in good standing, leaving no outstanding balance.
- The Cooperative is granted approval to contact the previous utility to discuss any credit information which is omitted or unclear.

2) Utility Payment Reports must be received by the Cooperative prior to the connection of service. Consumers wishing to place a security deposit until a utility payment report can be secured can have their deposit credited to their account upon the Cooperative's approval of the Utility Payment Report consistent with 2(a) above.

c. Additional Residences

A security deposit of not less than $150.00 and not more than two times the average monthly bill will be charged for each additional residence unless all of the following conditions are met:

1) The Consumer has established a twelve-month consecutive history with the Cooperative, indicating a good payment record; and,

2) The member provides the Cooperative with the names of the occupants.

The collection of the $150.00 may be in two components: collect $100.00 in advance of connecting service and add $50.00 to the first monthly electric service bill.

d. Exceptions

1) The Cooperative will not permit any member (or potential member) to establish service in his name when to do so circumvents the Cooperative's rights of debt recovery under its Service Rules and Regulations, Bylaws and Policies.

2) Where risk conditions appear exceptionally high, management is authorized to collect all amounts currently owed, plus a total deposit of up to two times the average actual or estimated monthly bill.

3) For hardship cases (except in cases of bad debt balances), the Cooperative may allow the consumer to pay the deposit in thirds: one third prior to connection, one third will be billed on the first electric service bill and the final third will be billed on the second electric service bill. Failure to pay the deposit arrangement will result in disconnection of the service.

2. Temporary Service – Residential Construction

Contractors establishing service for residential construction will provide a security deposit of $50.00. However, the deposit may be waived with good prior payment history or a good Credit Risk Score.

3. General Service

The Cooperative may collect a security deposit not to exceed two times the average monthly bill.

4. Irrigation

The Cooperative may collect a security deposit not to exceed two times the average summer (June - August) bill.

5. Large Power

The Cooperative may collect a security deposit not to exceed two times the average monthly bill.

C. Alternative Methods of Deposit

The preferred method of deposit is payment in cash to the Cooperative prior to service connections. Where circumstances warrant, management may allow the following exceptions:

1. The full amount of the security deposit may be deposited in an FDIC insured bank, mutually agreed upon between the Cooperative and the Member, with the

bank as Escrow Agent, with escrow providing that all interest shall be payable jointly to the Cooperative and the Member, and if the Member is current in its obligations, then the Cooperative shall forward the interest to the Member, and if not, the interest shall be applied against the obligation, and the principal amount of the escrow shall further stand as security for the obligation of the Member and shall be used to meet any past-due obligation of the Member.

2. A Letter of Guaranty acceptable to the Cooperative wherein the Guarantor meets the credit risk assessment and other requirements contained in this SRR #102.

3. A Letter of Irrevocable Credit from an FDIC bank acceptable to the Cooperative.

4. A Surety Bond from a surety company acceptable to the Cooperative.

D. Additional Deposits

When a disconnect occurs, the deposit will be reevaluated for adequacy, subject to a total deposit limit of two times the average expected bill.

E. Security Deposit Refunds

Refunds of security deposits will be made without interest under the following conditions:

1. As provided for in the written contract for service

2. Upon Termination of Service

The security deposit shall be refunded by check, less any amounts the consumer may owe the Cooperative. Should the resultant amount (deposit less amount owed) be less than $1.00, refund will not be made unless requested in writing within 10 days after disconnection of service. Conversely, if less than $1.00 is owed the Cooperative, a bill will not be mailed or collected.

3. Prior to Service Termination – (Residential Only)

Upon written request, Residential Deposits may be refunded by applying the deposit as a credit to the member's electric service account, provided all of the following conditions are met:

a. The member has established 24 consecutive months of continuous electric service with the Cooperative, and

b. The member has made timely payment during the 24-month period in a manner that has prevented the account from being cut-off, and

c. No checks have been returned and charged against the account for the 24-month period, and

d. The member has not previously left the Cooperative's service allowing an outstanding balance to become listed in the Cooperative's bad debt records, and

4. Upon such other conditions as may be established by the Cooperative with respect to service risks of similar characteristics.

Security Deposits must be refunded in the same name as the member's electric service account and are not generally transferable. However, transference of a security deposit may be permitted in order to facilitate transferring an account from the name of a deceased member to a succeeding family member.

103 Prepaid Electric Service

A. General Requirements

Members opting into the Prepaid Electric Service program (prepaid service), in addition to the requirements of the Cooperative's other rules and regulations, will be held accountable for compliance with the rules and regulations of this Service Rule and Regulation103. In the event of a conflict with the Cooperative's other rules and regulations, the terms of this Service Rule and Regulation 103 shall apply.

B. Applicability / Availability

Prepaid service is available to all single phase, 120/240 volt, self-contained, non-demand residential accounts with a maximum rated capacity of 200 Amps, except for the following accounts which are ineligible for prepaid service:

1. Service locations where life support equipment is in use;

2. Service locations for which the member requires a monthly bill, such as for the purpose of satisfying the qualification requirements for energy assistance programs.

C. Establishing Prepaid Electric Service – New Members

Members opting into prepaid service at the time of establishing a new electric service account shall complete an Application for Membership. If not already a member of the Cooperative, the member shall pay a $5.00 membership fee as described in Service Rule and Regulation 101. The member shall also pay an account origination fee of $15.00 and an additional $50.00 to establish a $50.00 minimum initial credit balance for daily usage.

D. Establishing Prepaid Electric Service – Existing Members

Members with an existing residential postpaid account that are opting to convert their existing account to prepaid service shall have their current service deposit amounts, if any, applied first to their existing postpaid account and secondly to their prepaid account. Members must pay all pre-existing fees and unbilled energy charges, including unpaid charges under levelized billing, or select to participate in the debt management program before an account can be converted from postpaid to prepaid service. The new prepaid account must have a minimum balance of $50.00 for daily usage. Reconnect fees and account origination fees will be waived when electric service accounts are converted from postpaid to prepaid service.

E. Debt Management

Existing members with account balances that are establishing or converting to prepaid service may utilize the debt management program. For each payment on a member's prepaid account that is enrolled in debt management, 25% of each payment will be applied to the debt until the balance is eliminated. Debt recovery will not be applied to the initial $50.00 minimum balance.

F. Payments

During normal business hours, payments on prepaid accounts can be made at the Cooperative's business offices. Payments will also be accepted 24 hours a day at payment kiosks accessible at the Cooperative's business offices, by credit card, debit card, and e-check through the Cooperative's internet web site, smartphone app, or by phone.

G. Bill Calculation

Prepaid accounts charges will be calculated on a daily basis with daily adjustments of all charges and fees deducted from the prepaid account balance. Prepaid accounts will be reconciled at the end of the month to conform to the Cooperative's applicable retail rate schedule. From time to time, this reconciliation may result in a credit or debit adjustment to the account.

H. Bill Viewing

Prepaid accounts will not receive monthly paper statements or monthly e-bills. Daily prepaid account history (usage, charges and payments) will be available by phone, via the Cooperative's internet web site, and through the Cooperative's smart phone app.

I. Notifications and Alert Messages

Low balance and disconnect notices will be provided via automated messages from the Cooperative. Available delivery methods for automated messages shall include email, text message, push messages via smartphone app and automated phone calls from an Interactive Voice Response (IVR) system. The member will be responsible for specifying account balance thresholds and notification delivery methods utilizing the Cooperative's web site, smart phone app, or with the assistance of a customer service representative during normal business hours. The member shall be solely responsible for managing and updating notification settings on their prepaid account. Failure to maintain or properly configure the notification settings may result in disconnection without further notice. The Cooperative will not be responsible for the member's failure to receive advanced notification prior to service disconnection.

J. Disconnection and Minimum Payments for Reconnection

Prepaid accounts will be subject to automated mechanical disconnection any time the member's account does not have a credit balance. Prepaid accounts are not subject to medical conditions or seasonal weather restrictions. Any returned checks or other fees on the account will be charged to the member's account immediately. If

the charging of such fees on the account causes the credit balance to be exhausted, service will be subject to disconnection.

To restore service, the member must make a payment sufficient to pay the balance due on the account and, in addition, establish a minimum credit balance of $20.00.

K. Payment Arrangements

Prepaid accounts are not eligible for payment arrangements.

L. Termination of Service and Final Billing

If an account is disconnected and does not become active after seven (7) calendar days, the account will be considered inactive and the Cooperative will mail a final bill to the last known address on file. Service terminated at the request of the member will receive a refund of any remaining credit on the account after all final bill amounts have been calculated.

M. Conversion to Post-paid Service

A prepaid account may be converted to post-paid service at any time, subject to payment of all account balances and required deposits, and subject to compliance with all other provisions of the Cooperative's bylaws and service rules and regulations.

N. Levelized Billing

Levelized billing is not available for prepaid accounts.

O. Bank Draft

Payments by bank draft are not available for prepaid accounts.

P. Payments at Collection agents

Payments on prepaid accounts will not be accepted by Collection Agents.

200 DISTRIBUTION LINE EXTENSIONS

201 Line Extensions by Consumer Category

Application for electric service will be classified into one of the following defined classifications and service will be extended accordingly. All classifications are subject to Item G. Special Conditions.

A. Permanent Residences

Single-phase electric service facilities will be extended as outlined below:

Overhead Line Extension Allowance

No charge for up to 1,000 ft. for permanent residences ≤ 2,000 ft.²

Plus .50 ft. per ft.² for residence size in excess of 2,000 ft.²

Plus .25 ft. per ft.² for total electric

Underground Line Extension Allowance

$300.00 minimum charge for up to 500 ft. for permanent residences ≤ 2,000 ft.²

Plus .25 ft. per ft.² for residence size in excess of 2,000 ft.²

Plus .125 ft. per ft.² for total electric

Where the line extension consists of a mixture of overhead and underground construction, the calculation of extension allowance shall be based upon the Overhead Line Extension Allowance above, with each foot of underground construction required counted as equivalent to two feet of overhead construction.

Extensions beyond these limits will require a contribution-in-aid of construction. Such contribution will be on a per-foot basis for all construction beyond the limits stated above. Per-foot costs are as follows:

Overhead, Single Phase

Billing rate, no right-of-way cutting included $3.00 per ft.

Underground, Single Phase

Billing rate, no right-of-way cutting included $3.50 per ft.

Where right of way cutting is required (as determined at the discretion of the Cooperative) and the right of way cutting is done by the Cooperative or its contractor, the Member shall pay to the Cooperative the cost of right of way cutting. If the length of the line extension is less than the above-stated maximum limits, then the cost of right-of-way cutting that is billed to the Member shall be reduced in an amount equal to the maximum extension limit distance minus the actual extension distance, multiplied times the overhead cost per foot ($3.00 per foot) or underground cost per foot ($3.50 per foot), as applicable. The amount of credits for right of way trimming costs (if any, and as described above) shall not be in excess of the Cooperative's total cost of cutting the right of way for the line extension.

Residential Mobile Homes that are set up as permanent residences will be treated as such. For multiphase service, extensions and contributions-in-aid will be calculated on a per-job basis. The Cooperative shall require that any contribution-in-aid be made by the consumer before construction begins. However, financing of contributions-in-aid may be available (See Paragraph J).

B. Residential Mobile Homes (Not Set Up As Permanent Residences)

Single-phase electric service facilities will be extended up to 500 feet of overhead at no charge or up to 250 feet of underground for a $300.00 contribution-in-aid of construction. Extensions beyond these limits will require a contribution-in-aid of construction. Such contribution will be on a per-foot cost for all construction beyond the limits stated above. Per-foot costs and right-of-way cutting costs will be calculated in the same manner as stated above for Permanent Residences, using 500 feet of overhead and 250 feet of underground as the maximum line extension

distance. For multiphase service, extensions and contributions-in-aid will be calculated on a per-job basis. The Cooperative shall require that any contribution-in-aid be made by the consumer before construction begins. However, financing of contributions-in-aid may be available (See Paragraph J).

C. Temporary Service

1. Temporary service, single-phase power will be furnished for construction and other purposes. Unless the consumer expects to take permanent service from the Cooperative, such service must be located within 200 feet of the Cooperative's existing distribution lines. Unless the consumer expects to take permanent service from the Cooperative, the member shall pay in advance the cost of furnishing, installing and removing (with salvage allowance) the temporary facilities necessary to supply the required service, metering and transformation equipment excepted. Applications for temporary service of more than 200 feet distance shall be handled on a case-by-case basis.

2. The consumer applying for temporary service will be required to supply a suitable pole and meter loop set at an approved location, with the top of the pole at least 14 feet above ground level, subject to a requirement for additional height above ground level if required for compliance with the National Electrical Safety Code. The consumer will be required to obtain his own inspection clearance for such installations, if such inspection is required by the local governing authority.

D. Irrigation Service

Electric service facilities will be extended and contributions-in-aid of construction will be computed, case by case, based upon the following conditions:

1. Costs of extending service (single or three-phase), including

   a. Construction of new lines (primary and secondary)

   b. Improvements to existing lines

   c. Right of way clearing

2. Credit for improvements that benefit all Members of the Cooperative

   a. Where facilities are improved for the extension of service, a credit shall be issued if the improvement would have been necessary in the foreseeable future to maintain service to other Members. The amount of credit shall reflect the cost to the Cooperative of accelerating the improvement in order to extend service.

   b. Expired service life credit shall be given where existing facilities are replaced prematurely for the extension of service. The amount of credit shall reflect the cost to the Cooperative of accelerating the replacement in order to extend service.

   c. The expected life of improvements and replaced facilities will be 40 years for the purpose of credit calculation.

3. Allowable investment shall be calculated using estimated annual electric service revenue, estimated margins, and current plant carrying costs.

4. Contribution-in-aid of construction shall be determined by subtracting allowable investment from the cost of extending service and applying any applicable credits for improvements that benefit all Members of the Cooperative.

5. All new extensions of service to irrigation accounts shall require a contract executed in the name of entity which owns the property where the irrigation motor is installed. Contracts for irrigation service shall be developed and executed subject to the following conditions:

    a. The term of the contract shall be a minimum of one year and a maximum of ten years. The term shall be ten years for all extensions that require a contribution in aid of construction (as described above), and for all other extensions the term (in years) shall be based upon multiplying ten times the ratio of the cost of extending service (less credits) to the allowable investment. The term shall be rounded to the nearest whole year.

    b. The contract (whether or not financing of line extensions is involved) may be executed on behalf of the Cooperative by the President/CEO (with subsequent review by the Board of Directors) only if the contract is for a project that is of a routine nature. A contract for a project that is not of a routine nature must be presented to the Board of Directors for approval prior to execution by the Cooperative.

        A project is of a routine nature as long as all of the following conditions are met, not subject to change, and are undisputed between the applicant Member / landowner and the Cooperative:

        1) The form of the contract to be executed is one of the Cooperative's approved and unmodified standard forms of Agreement for Electric Service, SEMCO Form 2100; and,

        2) The physical location of the motor, the location and type of service disconnect, the location and type of overhead and underground facilities (including transformers and other electrical apparatus) have been determined with specificity; and,

        3) The motor size, motor type, motor electrical characteristics, motor starter type, and other physical and technical factors are known and agreed upon, and;

        4) All required easements (as determined by the Cooperative) have been obtained and properly executed; and,

        5) All matters concerning cost responsibility have been determined (including but not limited to the cost of clearing right-of-way, repair costs for any underground facilities damaged during construction, and the apportionment of the costs of construction, improvements, and retirement of electrical facilities); and,

6) There is no dispute or question as to the identity of the landowning entity or its authority to enter into a binding agreement; and,

7) Any required contribution-in-aid of construction has been paid by the Member (or approved for financing consistent with Item J of this Service Rule #201 and such financing is incorporated in standard forms of agreement, SEMCO Form 2100-FM or SEMCO Form 2100-FA); and,

8) There are no other unresolved matters of any kind; and,

9) There are no technical, legal, or contractual issues that are of a nature that exposes the Cooperative to risk materially different from normal irrigation service installations; and,

10) The applicant or landowner does not request treatment that would require the Cooperative to treat similarly situated individuals differently, including, but not limited to, deviation from the Cooperative's By-Laws, Service Rules and Regulations, Retail Rate Schedules, normal operating procedures, or any other policies or procedures of the Cooperative.

6. Any contribution-in-aid of construction shall be paid by the consumer before construction begins. (See Paragraph J for possible financing alternative.)

7. Where underground service is provided, there shall be a $300.00 minimum charge.

8. Where the person or entity owning the property is unwilling to execute a contract for the line extension to an irrigation account, the contract may be executed in the name of the farmer requesting the line extension as long as the following conditions are satisfied:

   a. The farmer must pay a contract security deposit in such form and amount as approved by the Cooperative (in addition to any other required deposit for electric service) that is sufficient to satisfy the farmer’s total obligations to the Cooperative during the term of the irrigation contract and is equal to the cost of extending service, minus any contribution-in-aid of construction that is paid by the farmer, such contract security deposit to be subject to being used by or paid to the Cooperative in accord with the terms of the irrigation contract; and,

   b. If required by the Cooperative, the entity which owns the property being crossed by the proposed power line must sign a written easement for the facilities to be installed by the Cooperative.

E. Loads Requiring Up To 50 kVA of Capacity, Excluding Residential and Irrigation Loads

1. Electric service facilities will be extended with a calculation of extension allowance based upon 1.1 times the anticipated annual electric service revenue. Extensions that require a distribution investment (excluding the cost of transformers and metering equipment) in excess of 1.1 times the anticipated

annual electric service revenue will require a contribution-in-aid of construction, calculated by subtracting the extension allowance from the estimated cost of construction. The estimated cost of construction shall include all the costs required to extend service (including right-of-way cutting), including primary and secondary, but excluding the cost of transformers and metering equipment.

2. Where the Cooperative determines that the anticipated permanency of the establishment is insufficient for the Cooperative to recover its costs of extending service, the Cooperative may require the Member to pay the cost of furnishing, installing and removing (with salvage allowance) the facilities necessary to supply the required service, metering and transformation equipment excepted.

3. The consumer will bear the costs of all underground service extensions to campers or other loads of a non-permanent nature.

4. Any contribution-in-aid shall be paid by the consumer before construction begins. (See Paragraph J for possible financing alternative.)

5. Where underground service is provided, there shall be a $300.00 minimum charge.

F. Loads Requiring More Than 50 kVA of Capacity, Excluding Residential and Irrigation Loads

Electric service facilities will be extended and contributions-in-aid of construction will be computed, case by case, based upon the following conditions:

1. Electric service facilities will be extended and contributions-in-aid of construction will be computed, case by case, based upon the following conditions:

2. Estimated annual electric service revenue.

3. Costs of line extensions (single or three-phase) including both secondary and primary.

4. Any contribution-in-aid shall be paid by the consumer before construction begins. (See Paragraph J for possible financing alternative.)

G. Special Conditions

Unless more specifically provided for in each consumer category listed in this SRR #201, the following special conditions apply to all classifications:

1. The Cooperative may, at its discretion, require the Member (or developer) to install conduit (in conformance with technical specifications of the Cooperative) from the meter base or service disconnect to the Cooperative's transformer, secondary junction box, or other designated location. Where the Member or developer installs asphalt, concrete, septic tanks, drain lines, or other obstructions prior to placement of the Cooperative's underground service line, the Member or developer shall be responsible for installing conduit consistent with the Cooperative's technical requirements for use by the Cooperative in installing its secondary service line.

2. When it can be determined that the increased capacity or additional phases installed for one consumer may benefit other consumers sufficiently that the costs for such shared facilities are adequately recovered by the Cooperative, such shared facilities may be omitted in determining the cost of service to that consumer.

3. Where the line to be built for one consumer's use can, within the foreseeable future, be extended to other new consumers, and additional load growth is anticipated to adequately compensate the Cooperative for the extension costs, the contributions-in-aid of construction may be reduced accordingly.

4. Where the Cooperative deems the field of conditions sufficiently adverse as to cause the cost of providing underground extension to be unusually high, it may elect to offer the consumer the following options:

    a. The Cooperative will provide overhead extension per its service rules and regulations.

    b. The Cooperative will provide underground extension with the consumer bearing the full and actual costs thereof.

    c. The consumer may provide his own trenching, backhoe, and clearing of right-of-way work (consistent with the Cooperative's technical requirements) to accommodate the underground extension. The consumer would then bear the Cooperative's actual costs of work and materials in excess of that provided by the Cooperative at no charge.

5. A partial or total refund of contribution-in-aid of construction may be made when a new consumer utilizes facilities for which the in-plant costs were offset by a previously paid-contribution-in aid of construction. The consumer who paid the initial contribution-in-aid of construction (initial consumer) must request a refund within 36 months of receiving electric service. Refunds shall be calculated as follows:

    a. For the purpose of determining refunds, the consumers receiving service shall be considered as applying and receiving service at the same time, as long as construction to each consumer is not more than 36 months apart.

    b. Refunds shall be calculated using the line extension policies applicable to each consumer for the type of electric service they utilize.

    c. If refunds are requested after the 36 month time frame has expired, no refunds shall be issued.

H. Underground Subdivisions

1. Developers of subdivisions will be required to pay a minimum, non-refundable underground service fee of $300 per lot before construction may begin, in addition to:

a. Any applicable contribution-in-aid cost for outdoor lighting as such contribution-in-aid cost for lighting is required for compliance with requirements of the local governing body.

b. Any applicable contribution-in-aid cost for line extensions to a subdivision where the total length of line extension divided by the number of lots exceeds the Line Extension Allowance for Permanent Residences as stated in Section A above. In determining the Line Extension Allowance, the Cooperative shall assume the square footage of homes in the development will be 2000 square feet, unless restrictive covenants exist for the subdivision that specify a minimum home size of more than 2000 square feet. If restrictive covenants specify a minimum square footage in excess of 2000 square feet, the Cooperative shall use the minimum home size as stated in the covenants as the basis for determining the Line Extension Allowance.

2. Where multiple meters exist off single service laterals such as apartments or duplexes, the non-refundable underground service fee of $300 shall be per service lateral.

3. Developers of subdivisions and mobile home parks requesting underground service will be required to make an initial deposit in the amount equal to the Cooperative's total cost of providing underground service (excluding the 120/240 volt service lateral to the meter socket) with such total cost to include applicable overhead costs. This deposit will be re-turned to the developer on a per-connected lot basis with the balance on deposit to be returned in lump sum when the lots are 50% connected.

4. The Cooperative may, at its discretion, permit the developer to provide the Cooperative with a Letter of Credit on a local bank and a Letter of Credit Agreement with the Cooperative in lieu of the required initial deposit. The Letter of Credit and Letter of Credit Agreement must incorporate the following provisions:

   a. The amount payable under the Letter of Credit to Sumter EMC will be the waived initial deposit amount described above diminished by a "per developed lot" credit. The "per developed lot" credit is computed by dividing the total waived initial deposit by the number of lots in the subdivision (or mobile home park).

   b. The amount payable under the Letter of Credit will be made to Sumter EMC upon demand provided that Sumter EMC must show that 50% of the subdivision (or mobile home park) lots have failed to develop (permanent electric service to a permanent residence) within three years of the date of the Letter of Credit.

   c. Subsequent to payment under the Letter of Credit, Sumter EMC will return to the developer the "per developed lot" credit as permanent service is provided each lot, and it will return all deposit funds held when 50% of all lots are developed.

d. The return of all deposit funds held when the subdivision (or mobile home park) lots are 50% developed will be made based upon the development of a number of lots that equals half the number of lots originally laid out and to which underground electric service was anticipated when distribution facilities were designed and installed. The subsequent development of fewer lots by virtue of the purchase of multiple lots per constructed home will not change the number of homes required to take permanent service in order to qualify for the return to the developer of all deposit funds held. Accordingly, the payment to Sumter EMC under the Letter of Credit shall be made when, in three years, the number of permanent residence electric services has not developed, equal to half the number of lots originally anticipated when distribution facilities were designed and installed.

e. All obligations under the Letter of Credit Agreement and the Letter of Credit will be satisfied when 50% of the subdivision lots (or mobile home park lots) are developed within said three years. At that time, the Letter of Credit may be cancelled and satisfied with no further obligation by said bank or by the developer in connection with the Letter of Credit Agreement.

5. The Cooperative may, at its discretion, bear the expenses of providing the underground service (excluding the 120/240 volt service laterals to meter sockets) with no deposit nor letter of credit agreement required of the developer where, in the Cooperative's judgement, the early development of the subdivision is very likely.

I. Not In Use

J. Financing Contributions-in-Aid

In lieu of collecting an up-front contribution-in-aid of construction, the Cooperative may elect to finance the contribution-in-aid for the customer based upon the following conditions:

1. The line extension, line upgrade and/or line relocation costs may be financed for not more than 36 months; and,

2. Financing shall be based upon either of the two following payment methods:

   a. Installment loan financing, with monthly payments at 7 percent interest; or,

   b. Installment loan financing, with annual payments at 7 percent interest, provided that one-third of the line extension, line upgrade or line relocation cost, as the case may be, is paid upfront.

3. Financing shall be authorized only for customers where credit and longevity both are adequate.

203 Facilities Extension Ownership

A. All line extensions, service wire and connections, no matter who pays or contributes toward paying the cost thereof, are to be made by and remain the property of the Cooperative. The only exception to Cooperative ownership will be when the

Cooperative only serves up to and including primary metering. Upon prior agreement between both the Cooperative and the consumer, the consumer may purchase and maintain all line and equipment on the consumer side of the primary metering. The Cooperative shall not be required to serve any consumer over a line built, owned, operated, and maintained by the consumer or a third party unless the line is built to REA specifications.

B. All property of the Cooperative placed in or upon the consumer's premises and used in supplying service, is placed there under the consumer's protection.

C. The Cooperative shall have access to its property at all reasonable times. The consumer shall not commit or permit any act that could result in property damage, personal injury, or loss of life in relation to the Cooperative's property on his premises.

300 SERVICE CONNECTIONS, MEMBER WIRING, AND MEMBER EQUIPMENT

301 Service Connections

A. The wiring and electrical equipment in or upon the premises of the consumer to the point of service cut-in must have the approval of the constituted authority of the local government agency, or any other constituted authority, if any is required, and must conform to the requirements of the National Electrical Code, the Service Rules and Regulations of the Cooperative, and any other lawfully applicable standards before it may be connected to the system.

B. The location of the service cut-in shall be determined by agreement with a representative of the Cooperative. The consumer shall provide suitable means of supporting service wires to his building which will provide the minimum ground clearance and give adequate clearance over driveways and other obstructions as provided by the National Electric Code. The Cooperative shall not be required to build without cost to the applicant more service line than is necessary to reach the cut-in point as agreed to by the Cooperative.

C. The Cooperative's responsibility for installation and/or maintenance of facilities shall not extend beyond the point of attachment to the consumer’s building, central distribution point, or the meter.

D. When the consumer service requirements are of such a nature that a central distribution point needs to be located on a pole, the Cooperative may furnish and install the central distribution point pole for the attachment of the Cooperative's service facilities and the consumer may attach his required facilities to the pole.

E. A consumer may have any number of service connections under one membership. Consumers desiring additional service connections, however, must file a written application for each such desired service connection on a form provided by the Cooperative. A non-refundable account origination fee of $15.00 during normal business hours and $30.00 after normal business hours will be charged on each service connection. However, this connection fee may be waived under the following conditions:

1. When it is necessary to transfer an account from the name of a deceased member to a family member successor.

2. In order to accommodate a landlord/rental property owner in cleaning a vacated property in preparation for a new tenant.

A security deposit may be required on any service.

302 General Wiring Requirements

Each consumer shall cause all premises receiving electric service pursuant to his membership to become wired in accordance with the requirements of the National Electric Code. Each consumer shall be responsible for and shall indemnify the Cooperative and any other person against injury, loss, or damage resulting from any defect and/or improper use or maintenance of such premises and all wiring and apparatus connected thereto or used thereon. In no event shall the responsibility of the Cooperative extend beyond the point at which its service wires are attached to the meter loop provided for measuring electricity used on such premises.

303 Member Equipment

A. Electric Motors

The Cooperative should always be consulted on motor installations other than motors used in normal home appliances.

It is the characteristic of most electric motors to draw a heavy momentary current when started resulting, in many cases, in variation of the voltage supplied to the other members who receive service from the same circuits or transformer. To limit the inrush of apparent power (kVA) at the service point (where the service point is at the weatherhead on an overhead service and where the service point is at the Member's first disconnect on an underground service), the Member shall install and maintain adequate motor starting equipment as required by the Cooperative. It shall be the responsibility of the Member to ensure that the inrush current (under both starting and running conditions) as well as the frequency and magnitude of variations of running current at the service point do not exceed limits as specified by the Cooperative. It shall be the responsibility of the Member to ensure that starting torque produced by the motor/starter combination is adequate for the motor loads. The Cooperative shall not be responsible for motor, starter, or other equipment damage due to improper design, manufacturing, installation, or maintenance of Member equipment.

For prevention of losses beyond the control of the Cooperative, the Member shall provide protective devices for all electrical equipment to prevent equipment problems and failures due to low or high voltage, restarts after power interruptions, phase failure, phase reversal, frequency failure, and lightning damage.

All motors should be provided with devices that will protect the motor against overload and short circuit as defined in the National Electrical Code. The direction of phase rotation and the continuity of all three-phase current are guarded with great care, but the Cooperative cannot guarantee against accidental or temporary change

in phase rotation or phase failure. Therefore, motors shall be equipped with suitable protection against such reversal or phase failure.

In addition to the above, the member is responsible for installing all motor protections as specified by the latest edition of the National Electrical Code and the NEMA Standard MG-1.

The Member shall not allow harmonic voltage or distortion to exceed a level that will adversely affect the reliable distribution of electric energy of the Cooperative. Harmonic distortion will be determined at the service delivery point. The latest revision of IEEE Standard 519 will be used as a guide for allowable limits of harmonic distortion. If harmonic distortion exceeds acceptable levels, the Member shall, at the Member's expense, mitigate the problem immediately by use of filters, reactors or other recommendations of the manufacturer of the harmonic producing equipment. The Cooperative will help the Member measure levels of harmonic distortion and determine a solution.

B. Electric Generators

Where standby service is installed by the Member to provide emergency power, parallel operation of the Member's generating equipment with the Cooperative's system will not be allowed. A double throw switch must be used to prevent possible injury to the Cooperative workmen by making it impossible for power to be fed back into the main line from the emergency generator.

C. Electric Welders and Miscellaneous Devices

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

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

D. Member Responsibility for Protective Devices

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

304 Power Factor Correction

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

When the overall power factor of the consumer's load is less than 85% lagging, the Cooperative may require the consumer to install, at his own expense, equipment to correct the power factor. The Cooperative reserves the right to measure the power factor at any time.

305 Phase Load Balance

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

306 Reselling of Electricity

The Cooperative is not primarily engaged in the business of providing electrical energy to a consumer for subsequent reselling of that energy by the consumer. There may be special cases, however, which necessitate reselling by the Cooperative's consumer. These cases will be negotiated on an individual basis with the consumer. Reselling energy bought from the Cooperative without the express consent of the Cooperative is prohibited.

307 Service Interruptions

When a consumer experiences interruption in electric service, he should first check the service entrance panel and/or fuse boxes to assure proper operation. If the trouble is not found to be on the premises, then the Cooperative should be called immediately. The numbers to call are 229-924-8041 or, if outside the Americus area, 800-342-6978. Service crews will be dispatched to the trouble as soon as possible.

When a consumer repetitively reports power interruptions resulting in the Cooperative's sending personnel to the location to restore service and the cause of the interruptions are determined to be in consumer-owned equipment, i.e., blown panel fuse or bad wiring on consumer premises, the consumer may be held responsible for the Cooperative’s cost in making the trips. The customer service employee receiving the repetitive calls should notify a Vice President, who will conduct an investigation. The Vice President may charge the consumer $15.00 for trips made during working hours and $25.00 for trips made after working hours if the Vice President finds the trips are repetitive and avoidable.

400 CONSUMER RATE CLASSIFICATION

401 Rate Schedule Availability

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

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

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

402 Filing of Rate Schedules

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

500 METERING

501 Electric Meters

All meter bases shall be installed on an exterior surface as nearly as possible at eye level. Upon receipt of the application for service, a representative of the Cooperative will, upon request, survey the premises to be served and locate the metering point in the most convenient and satisfactory location.

Meter pole service may be provided, upon request and subject to the Cooperative's discretion, where such installations may be necessary to adequately supply power to the served premises. A meter pole shall be provided by the consumer in any case where a suitable building for mounting the meter is not available.

The Cooperative will furnish the meter socket.

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

502 Meter Reading

All meter reading will be done by the automatic meter reading system or a meter reader. Each account is billed once per month as soon as is practicable after the meter has been read.

503 Incorrect Reading of Meter

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

505 Meter Tests

The Cooperative will, upon request, test the accuracy of a consumer's meter at the consumer's location with portable field testing equipment. Should this field testing and subsequent double metering leave doubt of the meter's accuracy, the meter will be changed out and brought into the office for testing.

This above procedure will be performed at no charge once per year. Requests by a consumer for more frequent tests will incur a $10.00 meter test charge.

If the meter's registration is greater than 102%, the $10.00 will be applied to the consumer's electric service bill. The account will be adjusted for up to the three months immediately preceding the test. Otherwise, the $10.00 will be applied toward the cost of the test.

506 Tampering with Cooperative Equipment, Current Diversion, Theft of Services

Members shall protect Cooperative equipment on premises and shall not interfere with, alter, or permit interference with, or alteration of, meters or other Cooperative property except by duly authorized Cooperative representatives. Cost of necessary replacements and repairs to correct damage to Cooperative property due to, caused by, or arising from carelessness, neglect, vandalism, or misuse by unauthorized persons, shall be paid by the person or persons responsible for such damage.

When it is determined that someone has tampered with Cooperative equipment, any appropriate action deemed necessary will be taken, particularly as it relates to safety.

Meter base seals will be broken or removed only by employees or contract employees of the Cooperative except when another person is authorized, such as an electrician or fireman, to break the meter seal and remove the meter from the base in cases warranting such action. A record of such action will be filed in the records and the meter base resealed as soon as practical.

When the Cooperative has reasonable evidence that a member is obtaining part or all of their electricity by any method that interferes with the proper metering of electric service or has made an unauthorized connection to obtain electric service, the electric service may be disconnected at any time.

At its discretion, the Cooperative will bill the member for tampering with a Cooperative meter or other Cooperative equipment or for making an unauthorized electrical connection. Such bill may include charges for:

A. The estimated cost of unmetered electric service and/or current diversion; and,

B. The cost of repair or replacement of equipment damaged because of the tampering or other interference with metering or other equipment, including labor and other costs associated with repair or replacement; and,

C. Penalties, trip charges or other applicable charges as determined by the Cooperative, including a $150 fee for investigation of the tampering, theft, or damages; and,

D. The cost of reconnection of service in accordance with the appropriate trip charges (during or after regular working hours); and,

E. All current and past due amounts (Includes bad debt); and,

F. Additional deposit requirements, with total deposit equal to 2 times the highest monthly bill for the premise; and,

G. Membership fee (if applicable); and,

H. Any other costs imposed upon the Cooperative because of the tampering with Cooperative equipment, current diversion, or theft of services.

In accordance with O.C.G.A. 16-7-25 and local ordinances (where applicable) damaging, injuring, or interfering with meter or related equipment is unlawful and may result in

prosecution. Individuals involved with power theft or vandalism may be prosecuted to the fullest extent of the law.

No member or non-member shall be permitted to provide electric service for the enjoyment of and use by the offender by establishing such in their own name (or otherwise) unless all associated charges and restitution, where appropriate, have been paid.

507 Seasonal Restrictions for Non-pay Disconnect

Disconnection of electric service for non-payment will be restricted due to low temperatures and high temperatures as follows:

A. Low Temperatures

If the National Weather Service forecasts a low temperature at 8:00 a.m. for the Americus, GA area that is below 32º Fahrenheit for a 24-hour period beginning at 8:00 a.m. Monday through Thursday on the date of proposed disconnect, service shall not be disconnected on that day unless requested by the customer.

If, on Friday at 8:00 a.m., the National Weather Service forecasts a low temperature for the Americus, GA area that is below 32º Fahrenheit any time during a 72-hour period beginning Friday at 8:00 a.m., service shall not be disconnected on that day unless requested by the customer.

B. High Temperatures

If at 8:00 a.m. a National Weather Service Heat Advisory or Excessive Heat Warning is in effect for a 24-hour period beginning at 8:00 a.m. Monday through Thursday on the date of proposed disconnect, service shall not be disconnected on that day unless requested by the customer.

If, on Friday at 8:00 a.m., a National Weather Service Heat Advisory or Excessive Heat Warning is in effect any time during a 72-hour period beginning Friday at 8:00 a.m., service shall not be disconnected on that day unless requested by the customer.

600 BILLING

601 Billing Period and Payment of Bills

Bills for regular service will be rendered monthly from the meter readings taken by the automatic meter reading system or a meter reader. All bills shall be billed on a net basis and are due and payable upon rendering.

Payment of bills may be made by mail, Internet or in person at the Cooperative's offices in Americus, Cusseta and Leesburg, or at any of its designated collection agents throughout the service area. All credit card and debit card payments (via phone, internet or in-person) will be assessed a $0.00 convenience fee. All e-checks will be assessed a fee of $0.00.

If the bill has not been paid eighteen days after rendering, the consumer will be sent a delinquent notice to this effect. Consumers may be assessed a late service charge in the amount of the greater of $5.00 or 2.5% of the amount past due.

If the bill is not paid within twenty-five days after being rendered, service becomes subject to disconnection.

If a bill has been found to be in error and accordingly rebilled at a later date, the consumer will have twenty-five days from the rendering of the corrected bill to pay the same before service will be subject to disconnection.

Past due accounts requiring field collection shall obligate the consumer to pay a $15.00 field collection fee in addition to the bill amount, or service shall be disconnected without further notice, whether or not the consumer is present at the premise at the attempted time of field collection.

602 Disconnect for Failure to Pay and Reconnection Fee

All consumers whose service has been disconnected for failure to pay their bill in accordance with the provisions of SRR 601 shall be required to pay a $35.00 reconnection fee prior to reconnection.

Consumers disconnected for non-payment may be required to furnish additional service security deposits before being reconnected. For those consumers disconnected who originally were not required to pay a security deposit, an appropriate deposit may be required before reconnection.

603 Returned Checks and Electronic Payments from Bank

A Member's account will be considered unpaid if any form of paper check or electronic payment given the Cooperative in payment of the account is returned by the bank. A service charge of $30.00 will be charged for a returned item.

Upon such item being returned by the bank, the Member will be notified in writing that unless the service charge is paid and the returned item is redeemed in full within ten calendar days in the form of cash, certified check or money order, electric service will be disconnected subject to the provisions in SRR #602. If the returned item is for an appliance account payment or repair service, the recovery of the payment and service charge may be subject to civil action, including attorney's fees and court costs, if applicable, against the Member if the payment and service charge are not paid in full within ten calendar days.

The Cooperative reserves the right to disconnect electric service without further notice for the following conditions:

A. if the returned item was given for the purpose of having power restored after disconnection for non-payment.

B. if the returned item was given to avoid immediate disconnection for non-payment.

C. if the returned item was given for the original payment of fees for connecting electric service.

D. if the returned item given was found to be fraudulent.

If the consumer pays with paper checks or electronic payments that are not honored by the bank twice within a fifteen-month period, the Cooperative may elect to place the

account on a cash-only basis and require an additional deposit (minimum additional deposit of $25.00, subject to a total deposit limit of two times the average monthly bill).

604 Failure to Receive a Bill

Failure to receive a bill will not entitle the consumer to the deferment of any charge for non-payment within the time specified.

Deposit of the bill and/or delinquent notices in the U.S. mail relieves the Cooperative of further responsibility for the delivery of bill and/or notice.

605 Other Reasons for Disconnections or Reconnection

A. Service may be disconnected immediately and without notice for the following reasons:

   1. Discovery of meter tampering (see Service Rule and Regulation #506, Tampering with Cooperative Equipment, Current Diversion, Theft of Services)

   2. Diversion of electric current (see SRR #506)

   3. Use of power for unlawful reasons

   4. Discovery of a condition determined by the Cooperative to be hazardous

B. Electric service will be reconnected in the above cases under the following conditions:

   1. Correction of infraction

   2. Payment for any unmetered current used if applicable, unless due process of law dictates otherwise, and any other charges required by SRR #506

   3. Payment of a reconnection fee and other fees and/or deposits required by the Cooperative's Service Rules and Regulations

   4. Member must agree to comply with reasonable requirements to protect Cooperative against further infractions

C. Service may be disconnected, but only after notice, opportunity for hearing with Sumter EMC management, and reasonable time has been allowed to comply with correction of infraction for the following reasons:

   1. For violation of and/or non-compliance with any applicable state or other local laws, regulations, and codes pertaining to electric service.

   2. For non-compliance with Bylaws, Service Rules and Regulations, and provisions in rate schedules and supplemental contracts of the Cooperative.

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

606 Extension of Credit

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

A. When it is determined that enforcement of the policy will constitute an undue hardship in relation to the amount of the delinquent bill and that an 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 consumer involved establishes to the satisfaction of the Cooperative that his failure to pay the bill has resulted from some mistake on the Cooperative's part or some mistake for which the consumer was not responsible. In such instances, the consumer may make a lump sum payment of the additional amount due or he may make installment payments the term of which will be no longer than the time period involved around the mistake; or

C. When the involved bill is a final bill covering service to a farm, house, or other residential account and the main building thereof has been destroyed by fire not caused by act of arson on the part of the consumer or his family; or

D. When to disconnect service might pose immediate danger to the consumer or other persons due to illness or when the household is immediately and directly affected by death. A consumer should notify the Cooperative whenever he feels circumstances surrounding a delinquent bill warrant the need to discuss the matter with Cooperative personnel. Every effort will be made to resolve the matter with fairness to both parties. Such requests for extension must be approved by the Customer Service Manager, Computer Information Manager or a Department Head.

E. Typically, extensions will be limited to not more than two in any twelve-month period and will not be granted in consecutive months. In cases of inordinate credit risk or habitual requests for extensions, no extensions will be granted.

F. For hardship cases, a past due amount may be paid in installments over a 90-day period. The current bill must be paid along with each installment during the installment period. The late fee may be waived when such arrangement is made. This exception is limited to cases where the Cooperative has reason to believe the arrangement will be honored by the consumer.

G. Requests for additional extensions beyond two as described in Item E and requests for hardship cases as described in Item F must be approved by the Customer Service Manager, Computer Information Manager or a Department Head.

607 Payment of Multiple Accounts

All payments for services received from a member having two or more accounts shall be presumed to apply pro rata to the two or more accounts for two or more served premises. This regulation applies even if the consumer fails to make payment for one or more of the accounts as billed. The regulation also applies regardless of the internal accounting treatment given to the payment.

609 Incorrect Billing

Accounts billed in error due to rate assignment, stopped meter, wrong multiple applied to the meter reading, mechanical equipment failure, billing errors, or human errors will be re-calculated as nearly as possible to reflect the correct usage. When estimates are necessary, the corrected bill amount will be based on estimated consumption using the consumer's previous billing history, if available. Consideration also will be given to consumption in similar periods of other years, comparative usage and sizes of connected loads of similar accounts, and any other relevant facts.

A. Corrected bill is more than the consumer has been billed

The Cooperative shall not attempt to collect the under billing if either of the following conditions are not met:

1. the amount of under billing can be determined with virtual exactitude; and,
2. the consumer either knew or should have known that the billing was probably incorrect.

If both the above conditions are met, the Cooperative may attempt to collect the under billing provided:

1. in cases where the under billing occurred over a period longer than 6 months, the under billing collected shall be limited to 6 months; and,
2. the collection of the under billing shall be by lump sum or monthly installments.

When circumstances surrounding the under billing warrant such action, management may negotiate a recovery of less than the under billing.

B. Corrected bill is less than the consumer has been billed

If the corrected bill amount is less than the consumer has been billed, the Cooperative will repay the consumer the overbilled amount. Where it can be reasonably determined, the overbilling shall be computed back to the point of origin; however, it may be limited to not more than two years. Payment shall be by lump sum.

The consumer bears responsibility to give notice (at any office of the Cooperative) of any concerns of evidence that their billing information or amounts may be improper.

700 EASEMENTS, RIGHT OF ACCESS AND COOPERATIVE PROPERTY

701 Member to Grant Easements to Cooperative if Required

Each member shall, upon being requested to do so by the Cooperative, execute and deliver to the Cooperative grants of easement or rights-of-way over, on, and under such lands owned or leased by the member, and in accordance with such reasonable terms and conditions as the Cooperative shall require for the furnishing of electric service to him or other members or for the construction, operation, maintenance or relocation of the Cooperative's electric facilities or otherwise authorizing, satisfying, or facilitating an

obligation incurred, or right granted, by the Cooperative regarding use of structures, facilities, easements, or other goods or property owned, controlled, operated, or furnished by the Cooperative.

702 Right of Access

Cooperative's identified employees shall have the right of access to consumer's premises at all reasonable 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 and for the purpose of cutting, recutting, and properly maintaining adequate right-of-way and tree clearance from power lines owned by the Cooperative.

703 Relocating of Poles and Other Facilities

A. The Cooperative will make no charge for relocation of poles for members where such relocations are necessary due to the construction of new homes or other structures that the Cooperative will serve with electric power provided that the additional electrical load justifies the expense of the distribution facility relocation.

B. Charges for other relocations for members shall be on the basis of actual costs, to include direct labor, materials (including minor materials), and equipment, and shall exclude all other costs categorized as overhead. Such total charges shall be reduced by any salvaged, usable materials, if any, returned from the job. A credit will be applied to the total charges for the expired service life of the removed facilities. Such credit will be given as a pro-rated value of the material costs, less salvage, based upon the average age of the pole(s) involved. The expected life of the pole(s) will be 40 years for the purpose of the credit calculation.

C. Charges for relocations for counties, cities, state, and non-members shall be on the basis of actual costs, to include all cost (both direct and related) of labor, material, and overhead with such charges reduced by salvaged, usable materials, if any, returned from the job.

704 Retirement of Facilities

When a member desires the Cooperative to remove pole facilities from his land for valid purpose, the Cooperative will make every effort to oblige.

If it can be determined that the line no longer serves a useful present function or has no potential for future use for the Cooperative, the facilities will be removed at the Cooperative's expense.

If the line does have a useful present function or future potential, the Cooperative will relocate the facilities pursuant to Section 703.

800 MEMBER WITHDRAWAL

801 General Conditions for Member Withdrawal

A. A member receiving electric service may withdraw from the membership upon compliance with the generally applicable conditions as provided in the Bylaws of the Cooperative, Article II, Membership Suspension And Termination.

B. A member receiving Cooperative Services other than electric service may withdraw from the membership, and shall automatically be deemed to have voluntarily withdrawn from the membership, upon ceasing to receive such service for a period of five (5) years.

900 MATERIAL SALES AND SERVICE

901 Sale of Miscellaneous Electric Service Inventory Items

Sumter EMC will sell miscellaneous electric service inventory items only to members or contractors. A mark up of thirty percent (30%) will be added to each item unless the item is specifically priced elsewhere in the Cooperative's Service Rules and Regulations. The item must be paid for at the time of purchase.

For computational purposes, the item cost shall be defined as Last In First Out (LIFO) basis plus freight plus sales tax.

902 Sale and Installation of Meter Poles and Pedestals

Sumter EMC shall be authorized to sell to members, subject to availability, meter poles, with or without disconnects, and pedestals, fully assembled at purchase prices based upon the Cooperative's costs (including but not limited to labor, materials, and overhead).

Payment for sales and installation of meter poles and pedestals shall be, either

A. in cash or immediately available funds payable within 30 days of the completion of the sale and installation, or

B. in twelve (12) consecutive monthly installments commencing upon the first billing cycle after the completion of the sale and installation, financed @ seven percent (7%) per annum, subject to credit approval of the member, such monthly payments being billed upon the member's monthly electric service bill.

The member shall sign such documents as may be required by the Cooperative at the time the sale occurs as to which payment method the member desires to utilize.

1000 POLE ATTACHMENTS

1001 Pole Attachment Engineering Fees

The Cooperative will perform engineering studies at the written request of communications and cable TV providers to determine distribution system changes, improvements, or additions necessary to meet RUS and NESC standards for accommodation of new or modified pole attachments. The study will include an inspection of each pole, preparation

of RUS unit staking sheets, and a schedule of estimated construction labor, overhead, equipment, and material costs based on current contractor or Sumter EMC work force costs (at the Cooperative's discretion). The work will be performed after an engineering fee of $40.00 per pole has been submitted (unless prohibited by a joint-use or pole attachment agreement). The engineering fee will be based upon the existing pole count along the proposed pole attachment route.

SUMTER EMC STATEMENT OF NONDISCRIMINATION

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at https://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

Sumter Electric Membership Corporation is an equal opportunity provider and employer.

USDA is an equal opportunity provider, employer, and lender.

REVISIONS OF SERVICE RULES AND REGULATIONS

July 30, 1991	January 1, 2013
August 25, 1992	October 31, 2013
July 27, 1993	November 1, 2013
August 21, 1997	February 1, 2014
October 27, 1998	May 1, 2015
March 29, 2005	May 29, 2015
June 1, 2005	June 1, 2016
April 28, 2009	September 22, 2022
June 1, 2009	November 22, 2022
September 29, 2009	
November 30, 2009	
May 25, 2010	
September 28, 2010	
March 30, 2011	
December 1, 2011	