SAWNEE EMC

SERVICE RULES & REGULATIONS

(January 2026)

Public Disclosure Document

Public Disclosure Document

SAWNEE EMC

SERVICE RULES AND REGULATIONS

TABLE OF CONTENTS

DESCRIPTION	PAGE
SECTION 1 – OVERVIEW AND INTRODUCTION	1
SECTION 2 – SERVICE FEES (NO. 302)	2
SECTION 3 – RETIREMENT OF PATRONAGE CAPITAL TO ESTATES OF DECEASED MEMBERS ON A DISCOUNTED BASIS (NO. 303)	7
SECTION 4 – GENERAL RETIREMENT OF SAWNEE EMC PATRONAGE CAPITAL (NO. 304)	10
SECTION 5 – PATRONAGE CAPITAL FROM AFFILIATED ORGANIZATION(S) (NO. 305)	12
SECTION 6 – SERVICE SECURITY DEPOSITS – RESIDENTIAL (NO. 307)	14
SECTION 7 – SENIOR CITIZEN DISCOUNT/REBATE PLAN (NO. 308)	17
SECTION 8 –TEMPORARY SERVICE POLICY (NO. 309)	18
SECTION 9 – BUDGET BILLING PLAN (NO. 310)	20
SECTION 10 – SERVICE SECURITY DEPOSITS – COMMERCIAL (NO. 312)	22
SECTION 11 – UNCLAIMED PATRONAGE CAPITAL (NO. 316)	26
SECTION 12 – REDESIGNATION OF CAPITAL CREDITS TO ANOTHER (NO. 317)	28
SECTION 13 – CAPITAL CREDITS ALLOCATIONS (NO. 318)	29
SECTION 14 – RETIREMENT OF PATRONAGE CAPITAL ON A DISCOUNTED BASIS, TO FORMER MEMBERS TO SATISFY A DEBT OWED TO THE CORPORATION (NO. 319)	30
SECTION 15 – DORMANT PATRONAGE CAPITAL SERVICE CHARGE (NO. 320)	32
SECTION 16 – MEMBER ACCESS TO COOPERATIVE INFORMATION (NO. 401)	33

Public Disclosure Document

SAWNEE EMC
SERVICE RULES AND REGULATIONS

TABLE OF CONTENTS

DESCRIPTION	PAGE
SECTION 17 – AREA COVERAGE/EXTENSION OF SERVICE / RELOCATION OF SERVICE (NO. 402)	36
SECTION 18 – PAYMENTS, DISCONNECTION FOR NON-PAY AND ARRANGEMENTS (NO. 403)	39
SECTION 19 - BILLS ELECTRIC AND OTHERS, SUBJECT FOR CORRECTIONS BY REVISIONS AND MAKING ADJUSTMENTS (NO. 404)	42
SECTION 20 – ENERGY CONSERVATION AND DEMAND SIDE MANAGEMENT (NO. 405)	42
SECTION 21 – METER TESTS (NO. 406)	43
SECTION 22 – METER TAMPERING & THEFT OF ELECTRIC SERVICE (NO. 407)	45
SECTION 23 – UNDERGROUND ELECTRIC SERVICE (NO. 409)	47
SECTION 24 – DISTRIBUTED GENERATION FACILITIES (NO. 412)	53
SECTION 25 – ACCESS TO COOPERATIVE PROPERTY (NO. 413)	61
SECTION 26 – METER ACCESS (NO. 414)	63
SECTION 27 – IDENTITY THEFT PREVENTION (NO. 415)	65
SECTION 28 – CRANE AND DERRICK SUPPORT NEAR OH LINES (NO. 418)	71
SECTION 29 – MEDICAL CONDITION (NO. 419)	73
SECTION 30 – PREPAID METERING PROGRAM (NO. 420)	74
SECTION 31 – LIMITED ENGLISH PROFICIENCY PROGRAM (NO. 421)	82
SECTION 32 – VIRTUAL SOLAR PROGRAM (NO. 422)	85

Public Disclosure Document

SAWNEE EMC
SERVICE RULES AND REGULATIONS

TABLE OF CONTENTS

DESCRIPTION	PAGE
SECTION 33 – COMMERCIAL VIRTUAL SOLAR RIDER PROGRAM (NO. 423)	87
SECTION 34 – SOLAR RENEWABLE ENERGY CREDIT PROGRAM (NO. 424)	89
SECTION 35 – USE OF MEETING ROOM AND CORPORATE BULLETIN BOARDS (NO. 502)	91
SECTION 36 – MERCHANDISING AND SELLING OF ELECTRIC MATERIALS BY THE COOPERATIVE (NO. 503)	92

Public Disclosure Document

SECTION 1 – OVERVIEW AND INTRODUCTION

The staff of Sawnee EMC has developed this list of general Service Rules and Regulations to communicate to the staff of the Georgia Public Service Commission, and to the public in general, the various Board approved policies that Sawnee EMC will use in the area of providing service to its members.

This language consists of excerpts from the various policies that Sawnee EMCs Board of Directors has approved separately to control the various aspects of the Corporation's service. The text contained in this document, when taken in context with the Bylaws of the Corporation, the Application for Membership, the various electric service rates, and the other documents that control the method of service, constitutes the guidelines under which service will be provided.

It should be noted that the various forms, referenced herein and associated with these policies, have been eliminated from this document to conserve space. These forms can be obtained by contacting the Office of the President and CEO.

Public Disclosure Document

SECTION 2 – SERVICE FEES (NO. 302)

A. TYPE OF SERVICE

1. MEMBERSHIP FEE

a. A fee of $5.00 will be charged each time a person or entity establishes or re-establishes a membership with Sawnee EMC as prescribed in Section 1.02, 1.03 and 2.05 of the Cooperative's Bylaws.

b. This is a "non-refundable" fee.

c. All "refundable" membership fees collected by the Cooperative prior to August 1, 2001, will be returned to the respective member at the termination of their membership.

2. SERVICE CONNECTION

a. A fee of $65.00 will be charged for the initial connection of an existing service. The fee is in addition to the membership fee and security deposit requirements. Multiple service connection fees, on a per member basis, may not apply for services in the same general proximity.

b. A service charge of $65.00 may be applied for service calls made in response to a consumer's request for the connection, reconnection, or disconnection of their electric service if the consumer withdraws such request after the service call has been made and after the employee has been dispatched to the location.

c. The amount of fees described in this section applies to services that can be provided during regular working hours (8:00 a.m. to 5:00 p.m., Monday through Friday, excluding the Cooperative's holidays). For services provided after this time (e.g., during weekends or holidays, or otherwise outside a normal work day as described herein), a service charge of $130.00 will apply. All requests for "same day" service must be received on a regular business day prior to 3:30 p.m.

3. SERVICE RECONNECTION

a. A fee of $65.00 will be charged for the reconnection of any service disconnected due to non-payment of charges accrued to the service account for electric service or other related charges or because of failure to comply with established rules and regulations of the Cooperative. Other related charges are defined as membership fees, service security deposits, service fees, test fees and fees charged for payment failures. This fee will also apply when reconnection occurs after termination of

Public Disclosure Document

service resulting from an improper application for service, as required by the rules and regulations of the cooperative.

b. A service charge of $65.00 may be collected for service calls made in response to a consumer's request for the connection, reconnection, or disconnection of their electric service if the consumer withdraws such request after the service call has been made and after the employee has been dispatched to the location.

c. The amount of the service fees described in this section applies to services provided during 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding the Cooperative's holidays. For services provided after this time (e.g., during weekends or holidays, or otherwise outside a normal work day as described herein), a service charge of $130.00 will apply. All requests for "same day" service must be received on a regular business day prior to 3:30 p.m.

d. For services provided after the above-referenced times, a service charge of $130.00 will apply.

e. The Cooperative may, at its own discretion, elect to charge $280.00 for providing this service, Monday through Sunday between the hours of 9:00 p.m. and 8:00 a.m.

4. DISCONNECTION

a. A fee of $65.00 will be charged for accounts scheduled for disconnection for the failure to pay electric service charges or other related charges. This fee is in addition to any outstanding charges due at the time.

b. The amount of the service fees described in this section applies to services provided during 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding the Cooperative's holidays). For services provided after this time (e.g., during weekends or holidays, or otherwise outside a normal work day as described herein), a service charge of $130.00 will apply. All requests for "same day" service must be received on a regular business day prior to 3:30 p.m.

c. The Cooperative may, at its own discretion, elect to charge $280.00 in addition to the fees described above for providing this service, Monday through Sunday between the hours of 9:00 p.m. and 8:00 a.m.

Public Disclosure Document

5. LATE PAYMENT

a. RESIDENTIAL SERVICE

1) Provisions as outlined under this section of the policy are applicable to accounts defined as residential in Policy 307, Service Security Deposit – Residential.

2) To encourage prompt payment and to avoid direct and indirect costs associated with late payment of residential accounts, rebilling, disconnect for non-payment procedures and other costs to the Cooperative, it will, subject to the right of waiver in subparagraph (4) of this section, assess a late payment penalty equaling the greater of $15.00 or 1.5% for all residential accounts which have a past due balance. This penalty is in addition to any outstanding charges due at the time of the penalty.

3) For balances 30 days or greater past due, interest at the rate of 1.5% per month will be charged on the outstanding qualifying balance (e.g. only the balance that meets this standard) from the date the bill is rendered.

4) The Cooperative may, at its own discretion, elect to waive the fee for the first time a residential account is considered past due.

b. COMMERCIAL SERVICE

1) Provisions as outlined under this section of the policy are applicable to accounts defined as commercial as outlined in Policy 312, Service Security Deposit – Commercial.

2) To encourage prompt payment and to avoid direct and indirect costs associated with late payment of commercial accounts, rebilling, disconnect for non-payment procedures and other costs to the Cooperative, it will, subject to the right of waiver in subparagraph (4) of this section, assess a late payment penalty equaling the greater of $30.00 or 1.5% for all commercial accounts which have a past due balance. This penalty is in addition to any outstanding charges due at the time of the penalty.

3) For balances 30 days or greater past due, interest at the rate of 1.5% per month will be charged on the outstanding qualifying balance (e.g. only the balance that meets this standard) from the date the bill is rendered.

4) The Cooperative may, at its own discretion, elect to waive the fee for the first time a commercial account is considered past due.

Public Disclosure Document

6. PAYMENT FAILURE FEE

a. A fee of $60.00 will be charged to an electric service account of a member who submits to the Cooperative a payment instrument for processing such as, but not limited to, a check later returned by their bank, a credit card charge back, a false bank draft, a charge back CheckFree request or any other payment instrument, as payment for his / her financial obligations which is recalled or deemed to be non-negotiable for any reason.

7. METER TESTS

a. A service fee will be charged for meters tested more frequently than every 12 months when requested by the member for the verification of the accuracy of the meter. The following schedule of fees will apply:

Single Phase Meters	$80.00
Multi-Phase Meters	$125.00

A member who requests a meter test be conducted by an outside testing firm will be required to pay a minimum fee of $80.00 plus any other charges billed to the cooperative for the test.

8. PREMIUM PAY SERVICES

a. Meter Treater – A service fee of $5.50 per month per location will be charged for each Meter Treater device installed at a member's location.

b. Georgia Magazine – A service fee of $1.00 per month per subscription will be charged for each copy of GEMC's Georgia Magazine.

9. MISCELLANEOUS

a. A service charge of $65.00 may be required for service calls made by cooperative personnel for investigation of any service problems or interruptions when the cause is found to be due to problems with equipment owned by the consumer.

b. A service charge of $225.00 may be required in response to a request to render a containment letter or quit claim deed associated with Sawnee EMC facilities. This fee is only applicable when the request is associated with facilities which are not to be relocated or removed at Sawnee's request.

c. A service charge of $130.00 may be required in response to a request to connect or disconnect electrical service without sufficient notice. Generally, Sawnee will perform such service with one (1) day's notice. Failure to provide such notice may

Public Disclosure Document

invoke this service charge. The Cooperative may, at its own discretion, elect to charge $280.00 for providing this service, Monday through Sunday between the hours of 9:00 p.m. and 8:00 a.m.

d. A service fee of $110.00 may be required when a requesting party fails to install the electrical connection device (e.g. meter base, CT can or other device) or prepare the site as required by the Cooperative. This fee may be required when an additional visit is required to complete the request, given the absence of these required devices or a clear and unobstructed path to the meter location.

e. A service charge of $185.00 may be required in response to a request to convert, change, or relocate an existing light fixture. This fee is applicable to all fixture types and styles.

f. A service charge of $15.00 per meter read may be required in association with the Cooperative's staff, or its agent, not being able to obtain a valid meter reading as required under Corporate Policy 414, Meter Access. This fee is applicable to all meter types and service types.

g. Service charges, as outlined below, shall be assessed as a part of Investigation Fee(s) when metering equipment is either tampered with, damaged and /or when energy and related services are stolen.

1) Tampering with or prohibiting the operation of any component of the Cooperative's metering equipment will result in a fee of $200.00 being assessed as well as other applicable charges.

2) Damaging of the Cooperative's metering equipment will result in a fee of $200.00 being assessed as well as other applicable charges.

3) When energy and related services are stolen by modifying the Cooperative's metering equipment, a fee of $500.00 will be assessed as well as other applicable charges.

B. GENERAL

Any change in the fees contained in this policy will not be considered as retroactive or applicable to an event that occurred prior to the effective date of the change. Nor will any member derive any benefit, not applicable at the time of the event, should this policy change. All charges will be based on the policy in force at the time of the event.

Public Disclosure Document

C. WAIVER OF FEES

1. The President and Chief Executive Officer (CEO) or his / her designee, at his / her sole discretion, is hereby authorized by the Board to waive or reduce the fees stated herein when it is in his / her sole opinion that such action is consistent with the goals and values of the Cooperative and its members and is in the Cooperative's overall best interest to do so.

SECTION 3 – RETIREMENT OF PATRONAGE CAPITAL TO ESTATES OF DECEASED MEMBERS ON A DISCOUNTED BASIS (NO. 303)

A. As used in the policies of the Corporation, the following terms shall have the following meanings:

1. "**Affiliated Organizations**" shall mean cooperative organizations from which the Cooperative is entitled to receive patronage as a result of its patronage thereof, including, but not limited to a power supply cooperative, a cooperative lending money, a cooperative selling materials and supplies, a cooperative processing data or information, or a cooperative furnishing services.

2. "**Patronage Capital**" shall mean all amounts in excess of operating costs and expenses which the Cooperative has allocated to its Patrons or his / her designee. As used herein, "Patronage Capital" shall also include Patronage Capital allocated to the Cooperative by Affiliated Organizations.

3. "**Cooperative**" shall mean Sawnee Electric Membership Corporation.

4. "**Deceased Patron**" shall mean an Individual who has died and who, during his or her life, paid money to the Cooperative and received services from the Cooperative. "Deceased Patron" shall also mean an Individual who has died and who, during his or her life, had been assigned Patronage Capital by a Patron in accordance with Bylaw Section 9.02 and the Cooperative's Policies.

5. "**Individual**" shall mean a natural person and shall exclude artificial entities.

6. "**Patron**" shall mean any Individual or artificial entity that has paid money to the Cooperative, and is receiving, or has received, services from the Cooperative.

7. "**Unretired Patronage Capital**" shall mean both: (i) Patronage Capital allocated to the Cooperative from Affiliated Organizations but which have not been retired to the Cooperative by cash payment or billing credit and are not re-invested in an Affiliated Organization by this Cooperative for the same and all prior years; and (ii) Patronage Capital which will in the future be allocated to a Deceased Patron upon the finalization of the Cooperative's books of account for the relevant period.

Public Disclosure Document

B. The Cooperative's staff shall prepare for Board review, a report of those Patronage Capitals allocated to a Deceased Patron that meet the following conditions:

1. The legal representative of the estate, or heir of the Deceased Patron has submitted a written request for such early retirement and has agreed:

   a. to permit the deduction of all amounts owed the Cooperative,
   b. to accept such retirement on a discounted basis, and
   c. to donate all Unretired Patronage Capital to the Cooperative.

C. The Board, upon receiving the foregoing report, may approve any such early retirement, provided, however, that it first determines that no such early retirement shall: (1) impair the financial condition of the Cooperative, or (2) otherwise jeopardize the Cooperative's ability to make general patronage capital retirements.

D. The processing of retirements approved pursuant to this policy shall be in accordance with the following provisions:

1. If the Deceased Patron died with a probated Will, any retirement approved hereunder shall be made to the Executor(s) of the Estate upon receipt of the Deceased Patron's Will or Letters Testamentary appointing the Deceased Patron's Personal Representative(s).

2. If the Deceased Patron died without a probated Will (intestate), and the Estate was administered, any retirement approved hereunder shall be made to the Personal Representative(s) of the Estate (formerly referred to as the "Administrator") upon receipt of a copy of Letters of Administration Appointing the Deceased Patron's Personal Representative(s).

3. If the Deceased Patron died without a probated Will, and there was no administration of the Estate, then depending upon the amount of the retirement, the following distribution priorities will apply:

   a. After discounting, if the payment is $2,500.00 or less, the payment shall be made:

      (1) To the surviving spouse.
      (2) If no surviving spouse, then to the surviving children, pro rata.
      (3) If no surviving spouse or surviving children, then to the surviving mother and father, pro rata.
      (4) If no surviving spouse, children or parents, then to the surviving brothers and sisters, pro rata.

Public Disclosure Document

b. After discounting, if the payment is more than $2,500.00, the payment shall be made to the Deceased Patron's heirs determined pursuant to the laws of descent and distribution of the State of Georgia as codified in O.C.G.A. § 53-2-1, (See copy attached hereto), AND after consultation with the Cooperative's legal counsel.

4. If the Deceased Patron died with a Will but the Will has not been found and/or the Will by agreement of all interested parties will not be submitted to probate, and there was no administration of the Estate, then depending upon the amount of the retirement, the following distribution priorities will apply:

a. After discounting, if the payment is $2,500.00 or less, the payment shall be made:

(1) To the surviving spouse.
(2) If no surviving spouse, then to the surviving children, pro rata.
(3) If no surviving spouse or surviving children, then to the surviving mother and father, pro rata.
(4) If no surviving spouse, children or parents, then to the surviving brothers and sisters, pro rata.

b. After discounting, if the payment is more than $2,500.00, the payment shall be made to the Deceased Patron's heirs determined pursuant to the laws of descent and distribution of the State of Georgia as codified in O.C.G.A. § 53-2-1, (See copy attached hereto), AND after consultation with the Cooperative's legal counsel.

5. There is the possibility that situations will arise that will not fit into any of the above categories. Should such case arise, the matters will be handled on an "individual" case-by-case basis in consultation with the Cooperative's legal counsel.

6. Regardless of the method utilized under this policy, an Application for Retirement of Patronage Capital to Survivors of Deceased Members (Exhibit 1) must be completed and executed.

E. The standards for computing and implementing retirements of Deceased Patrons on a discounted basis shall be as follows:

1. The total accumulated Patronage Capital of a Deceased Patron, less the Unretired Patronage Capital will, prior to retirement, be reduced by discounting the same on a present value basis and by deducting any legally enforceable debt of the Deceased Patron or the applicant.

2. The present value factor described herein shall be derived, as outlined below:

a. Upon the initial implementation of retirements under this Policy, at a discount (interest) rate of eight (8%) percent.

Public Disclosure Document

b. For subsequent years, the discount (interest) rate will be equal to the annual weekly average of the Federal Financing Bank (FFB) interest rate paid by the Cooperative for a similar term and published by RUS or NRUCFC during the previous calendar year plus a long horizon expected risk factor of 9.16%.

3. Such rate shall become effective January 1 of each year for the following 12 months and will be updated annually or as the Board of Directors determines that conditions warrant a higher or lower discount rate.

F. The amount of Patronage Capital remaining after such discounted retirement shall be retained by the Cooperative and credited to Account 217, Retired Patronage Capital - Gain, and shall not thereafter be reassigned to any other patron or any other person but will be subject to cash payout only in the event of dissolution of the Cooperative as allowed under the Bylaws of the Cooperative.

G. No early retirement of Patronage Capital shall be authorized except upon the approval of the Board in accordance with this policy and other policies as well as the Bylaws of the Corporation. The staff will be authorized to provide the approved retirements as outlined herein.

SECTION 4 - GENERAL RETIREMENT OF SAWNEE EMC PATRONAGE CAPITAL (NO. 304)

A. GENERAL

1. It shall be the policy of the Cooperative to make retirements of Patronage Capital to its members or their designee, whenever appropriate and practical, as determined by the Board of Directors ("Board") of the Cooperative.

2. Such retirements must be consistent with sound fiscal and management practices and must be consistent with the provisions of the Cooperative's Mortgage Contract with the Rural Utilities Service ("RUS"), other mortgage holders, the Bylaws of the Cooperative and sound business practices.

3. Any retirement of Patronage Capital in full or in part, prior to liquidation or dissolution, shall only be made if and when the Board of the Cooperative, in its sole discretion, determines that such retirement would not impair the financial condition of the Cooperative.

4. General retirements of Sawnee EMC Patronage Capital, excluding Patronage Capital from Affiliated Organizations as outlined below, shall be subject to Board approval as provided for in this and related policies or as may otherwise be established by the Board.

5. This Policy (Policy 304) sets forth procedures to guide the Cooperative in considering the retirement of Sawnee EMC's Patronage Capital.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

B. AFFILIATED ORGANIZATIONS

1. It is the Policy of the Cooperative that it shall not consider the retirement of Patronage Capital allocated to its patrons by the Cooperative from Affiliated Organization(s), as the term Affiliated Organization(s) is defined in Cooperative Policy No. 303, Retirement of Capital Credits to Estates of Deceased Members on a Discounted Basis, until such time that: 1) the Affiliated Organization(s)' Patronage Capital is received in cash or in billing credit to the Cooperative and is not reinvested in an Affiliated Organization by this Cooperative for the same and all prior years and 2) the Affiliated Organization(s)' Patronage Capital has been approved for retirement by the Board of the Cooperative.

2. Nothing herein, however, shall require any retirement of Affiliated Organizations Patronage Capital and no retirement shall be made if the Board of the Cooperative, in its sole discretion, determines that such retirement would impair the financial condition of the Cooperative.

3. The Patronage Capital from Affiliated Organization(s) shall be allocated, retired, and paid in accordance with Policy No. 305, Patronage Capital from Affiliated Organization(s).

C. SET OFF AND RECOUPMENT OF DEBTS TO THE COOPERATIVE

1. Before the Cooperative makes any general Sawnee EMC Patronage Capital retirement as described herein, the Cooperative shall:

   a. Deduct any amount then owed by such member as prescribed in Article 9, Section 9.02 of the Cooperative's bylaws; and

   b. In the case of a retirement to a member who has subsequently filed bankruptcy, the Cooperative shall deduct such amounts owed to the Cooperative prior to the time of the bankruptcy, unless the member demonstrates that such deduction of amounts owed is prohibited by the Bankruptcy Court's final order relating to the bankruptcy.

2. Bad debts are routinely approved for write-off by Board action and as such, these actions as it relates to the settlement of such debts and the retirement of patronage capital are controlled by Policy 319, Retirement of Patronage Capital, On a Discounted Basis, to Former Members to Satisfy a Debt Owed to the Corporation.

D. OTHER

1. Notwithstanding the foregoing, the early retirement of Sawnee EMC Patronage Capital to the estates or legal representatives of deceased members, on a discounted basis, may be made by the Cooperative in accordance with Policy No. 303, Retirement of Capital Credits to Estates of Deceased Members on a Discounted Basis.

Public Disclosure Document

2. The Board, in its sole discretion, may elect to make a special general retirement of patronage capital. Any action taken relative to a special general retirement of patronage capital will be done in a manner and at a time that will not, in the sole determination of the Board, impair the financial condition of the Cooperative.

SECTION 5 – PATRONAGE CAPITAL FROM AFFILIATED ORGANIZATION(S) (NO. 305)

A. GENERAL

1. These guidelines are established to facilitate the Cooperative in making assignments and, where appropriate, retirements to its members and former members of the Cooperative's Patronage Capital allocated from Affiliated Organization(s) that are allocated to the Cooperative and on the books of the Cooperative.

2. The Cooperative generally allocates Patronage Capital from Affiliated Organization(s) in the same manner as the Cooperative allocates Patronage Capital from its own Operating and Non-Operating Margins ("Sawnee EMC Patronage Capital"), as defined herein.

3. However, pursuant to the provisions of Section 9.02 of the Cooperative's Bylaws, Patronage Capital is allocated from year to year to the Cooperative by virtue of its patronage to Affiliated Organization(s), which shall be accounted for in accordance with the following guidelines:

   a. Affiliated Organization(s) Patronage Capital will generally be allocated to each of the Cooperative's patrons as Patronage Capital pursuant to the same method employed for allocating Sawnee EMC Patronage Capital, as defined herein.

   b. The Cooperative shall generally, except as provided herein, maintain its Patronage Capital records and books in such a manner as to separately reflect Patronage Capital allocations related to Affiliated Organization(s), as opposed to those which are allocated from Sawnee EMC Patronage Capital.

   c. The Cooperative will notify its members and/or former members annually of the Patronage Capital allocated to them related to Affiliated Organizations with respect to the preceding fiscal year, in accordance with its Bylaws and in the same manner and simultaneously members and former members are notified of Sawnee EMC Patronage Capital allocations.

   d. The Cooperative will not retire and pay to its members and/or former members Patronage Capital allocated to them related to Affiliated Organization(s) until:

Public Disclosure Document

(1) The related Patronage Capital from the Affiliated Organization(s) have been retired and paid to the Cooperative in cash or by billing credits and are not re-invested in an Affiliated Organization by this Cooperative for the same and all prior years.

e. Nothing herein, however, shall require any such retirement of Patronage Capital or Affiliated Organization Patronage Capital and no such retirement shall be made if the Board of Directors (Board) of the Cooperative, at its sole discretion, determines that such retirement would have an adverse effect upon the financial integrity, strength, viability, and flexibility of the Cooperative.

f. The exception contained in Policy No. 303 for retiring Patronage Capital to estates of deceased members or former members, who were natural persons, shall not apply to the Affiliated Organization Patronage Capital of deceased members or former members, unless, and only to the extent that, such Affiliated Organization(s) have made related Patronage Capital retirements in cash or by billing credits, for the same and all prior years, that were not re-invested in an Affiliated Organization by this Cooperative for the same and all prior years.

g. Notwithstanding the foregoing, Affiliated Organization Patronage Capital shall not be separately tracked as having been retired and paid to the Cooperative in cash or by billing credits and are not reinvested in an Affiliated Organization by the Cooperative for the same and all prior years and treated with respect to, any given fiscal year that the Board determines that the amount of the Affiliated Organization Patronage Capital is too insubstantial to justify the administrative and other expenses required to separately account for and treat such Affiliated Organization Patronage Capital. Upon such a determination of the Cooperative's Board, these insubstantial Affiliated Organization Patronage Capital allocations may be retired prior to the Cooperative receiving a retirement of its allocated Patronage Capital in cash or billing credit from the Affiliated Organization and are not re-invested in an Affiliated Organization by the Cooperative for the same and all prior years.

h. Should the Board determine that an Affiliated Organization is unlikely or unable to retire in cash or otherwise pay in cash or billing credits the Affiliated Organization's Patronage Capital allocated to the Cooperative, the Board may, at its sole discretion, re-value such Affiliated Organization Patronage Capital on the books of the Cooperative and as allocated to the Cooperative's members and former members.

Public Disclosure Document

SECTION 6 – SERVICE SECURITY DEPOSITS - RESIDENTIAL (NO. 307)

A. DEPOSIT REQUIRED

For each and every residential account and similar type of service connection of a member of the Cooperative, except as herein provided, a service security deposit, or an increase thereof, will be collected either in advance, immediately after the connection of the electric service, or as otherwise prescribed by this policy.

B. AMOUNT OF DEPOSIT

The amount of the deposit, or any exceptions to the payment of a deposit, is set forth herein and more specifically in Appendix "A" of this policy.

C. NEED FOR DEPOSIT

Determining the need for and amount of service security deposits will be based on the Cooperative giving careful consideration to the following factors:

1. Level of financial risk;

2. Risk involved in a new electric service account;

3. Level of credit to be extended to the applicant;

4. Applicant's Satisfactory Credit Rating status, as defined herein;

5. History of disconnect for non-payment, uncollected past due or written-off amounts, or any payment instrument which has been recalled or deemed to be non-negotiable for any reason at the involved premises or for the involved member; and

6. Any other factor having a realistic bearing on the applicant's financial dependability and ability to pay their Cooperative energy bill.

D. NO INTEREST

1. No interest shall be paid by the Cooperative on service security deposits.

E. SATISFACTORY CREDIT RATING

1. For purposes of this policy, including Appendix "A", a Satisfactory Credit Rating is defined as the account of a member having **no** record of: payment instruments which are recalled or deemed to be non-negotiable for any reason; being disconnected for non-payment of account; or, causing the Cooperative to incur a debt due to bankruptcy for the most recent thirty (30) consecutive months.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

F. REFUNDS

1. Service security deposits will, at the sole discretion of the Cooperative, and as outlined herein, be refunded or evaluated for refund based on the following criteria:

   a. As provided for in a written contract for service.

   b. After thirty (30) consecutive months of continuous electric service, provided that a Satisfactory Credit Rating has been established with the Cooperative.

   c. Participating in the Cooperative's Prepaid Metering Program.

   d. Or upon such other conditions as may be established by the Cooperative.

2. Should it be decided a refund of the deposit is in order, the deposit shall first be applied to any outstanding debt owed to the Cooperative at the time, and then any unused portion of the deposit will be either returned to the member or credited to an active account.

APPENDIX "A"

SERVICE SECURITY DEPOSITS

1. Service security deposits will not be required for residential service only as outlined under the following circumstances:

   A. When an **existing member**, in a residential location owned or rented by the member, has established a Satisfactory Credit Rating, as defined herein, for the specified period and is requesting an additional residential service or is relocating to another residential location.

   B. When, upon request of a new or former member making a request for residential service at a residential location owned or rented by the member, a deposit will not be required based on the utility credit score assigned to a requesting applicant by an independent third party and the allocation of stated deposit, as outlined below:

      1) Score equal to or greater than 875 No deposit required

   C. When, upon request of a residential service applicant to render service to a residential location, as described herein in paragraph "A" above, after considering the credit history of an account reported in the name of the applicant's spouse or former spouse when the applicant can demonstrate the spouse's credit reflects the applicant's Satisfactory Credit Rating and is for the specified period, determines the applicant has a satisfactory credit rating.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

D. Service security deposits will not be required for service to agencies and divisions of the federal and state governments, municipalities, and counties, unless required under special agreements or contracts for service.

E. Service security deposits will not be required for service to local and national community action groups and community service programs designated to improve the general opportunities for minorities, females, and other protected groups in support of the Cooperative's Affirmative Action Plan (AAP).

F. To receive a waiver of deposit as outlined in any of the items listed above (A – E), the Cooperative **must** receive a signed membership form from the member.

G. Service security deposits will not be required for those accounts under the Cooperative's Prepaid Metering Program.

2. Service security deposits **will** be required under the following circumstances and **must** be accompanied by a signed membership form from the member.

A. **Deposit Level** will be determined based on the utility credit score assigned to a requesting customer (new, existing or former) by an independent third party and the allocation of stated deposit, as outlined below:

1)	Score between 780 to 874	$250 deposit
2)	Score between 510 to 779	$400 deposit
3)	Score between 0 and 509	$550 deposit

Deposits must be paid in full prior to receiving service as outlined herein.

B. **New members**, given the inability to meet the requirements described herein, will pay a minimum service security deposit of $400.00 or, as determined in cases of substantial credit risk, a deposit equal to the greater of:

1) $400.00, or
2) an amount equal to two (2) months average bill over the most recent 12 months billing history prior to receiving electrical service as specified by the Cooperative and in most cases, except as specified by the Cooperative, within a reasonable period of time after receiving electrical service.

C. **Former members** will be required to pay any outstanding amount due to the Cooperative on his/her current account(s) **and** a security deposit equal to the amount determined by their utility credit score as described in paragraph 2 A above.

Public Disclosure Document

D. **Existing members** will be required to be processed as outlined in paragraph 2 A above and, based on the results of that review, will be required to pay any outstanding past due amount then due the Cooperative on his/her current account(s) **and** may be required to pay the greater of the amounts shown below based on the results of this review:

1) a security deposit of $400.00, prior to receiving or continuing to receive electrical service, or
2) an amount equal to two (2) months' average bill over the most recent 12 months billing history for those accounts where the Cooperative has determined that a substantial credit risk exists.

Should the member already have a deposit less than the deposit required and is required to pay an additional deposit, the deposit will be increased as described herein.

Also, an increase may be required at any time, including after the commencement of service, when an existing member's Credit Rating becomes unsatisfactory.

E. **Multiple accounts** will be required to be processed as outlined in paragraph 2 A above and, based on the results of that review, may be required to pay a service security deposit equaling the greater of:

1) two (2) months average monthly charges of each account over the past 12 months, or
2) $400.00 per service point.

It should be understood that in no case will the charges be less than $400.00 per account.

SECTION 7 – SENIOR CITIZEN DISCOUNT/REBATE PLAN (NO. 308)

GENERAL

The Board of the Cooperative has given careful and deliberate consideration to offering a Plan as defined herein. It is the belief of the Board that a discount / rebate plan is justified and appropriate.

A. The Plan shall be limited and applied as outlined herein.

B. The qualifications for the Plan are as follows:

1. The application of the Plan will be limited to the primary residence (abode) of qualifying members.

Public Disclosure Document

2. To qualify, the member must be at least 65 years of age or older.

3. The member must sign an affidavit (Exhibit A) to certify that they have a total annual income, which does not exceed $25,000, from all sources.

4. The member must agree to allow the Cooperative to verify information given as needed.

C. The member must make a written application to the Cooperative either in person, via mail, electronically, or by other means to be considered for this program. All documents must be signed by the member and reflect a witness signature. If the member is not physically able to write, a guardian may execute the documents on the member's behalf, but in all cases the affidavit must be witnessed.

D. Should the Cooperative determine at any time that a participating member in the Plan does not meet the prescribed qualifications, the member will be terminated from the Plan.

E. The discount/rebate offered under this Plan shall be a billing credit of $20.85 per month for each of the twelve (12) months in a year.

F. Should the discount / rebate be stopped or started in a given year, it will begin as of the effective date and no retroactive or prospective payment(s) will be available.

G. The rebate / discount can be changed or eliminated by Board action at any time and without notice.

H. Under no circumstance will any account other than the member's primary residence (abode) be considered for this discount / rebate.

SECTION 8 – TEMPORARY SERVICE POLICY (NO. 309)

GENERAL

A. The Cooperative will provide or extend service to its members as outlined in Corporate Policy 402, Area Coverage – Extension of Service/Relocation of Service, and provided for herein, under retail rates as well as the service rules and regulations set by the Board of Directors (Board) for this type of service.

B. Temporary service herein shall be defined as a connection of service installed to supply electricity for a limited period, normally less than twelve (12) months, or to facilities that are considered temporary in nature or under construction. This connection shall include, but not be limited to, construction sites, festivals, carnivals, decorations, and other limited purposes as deemed applicable by the Cooperative.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

C. These temporary service connections shall be limited or provided as outlined below:

1. The member requesting temporary service, as described herein, shall be required to pay the Cooperative a non-refundable fee as outlined below:

   a. For single (1) phase 120/240v, underground service, with an existing transformer to serve a permanent load, the fee will be $300.00 per meter.

   b. For single (1) phase 120/240v, overhead service, with an existing transformer to serve a permanent load, the fee will be $300.00 per meter.

   c. For all other types of temporary service, the fee will be calculated on an actual installation and removal cost basis. The requesting party will be required to pay 100% of the cost, including applicable overheads, to install and remove the necessary facilities, less any salvage value of the associated materials.

2. The requesting party must agree to pay the associated non-refundable fee, as outlined herein, for the temporary service prior to the Cooperative providing this service.

3. The governing inspection authority having jurisdiction over this connection must approve the member's facilities at the point of attachment prior to the Cooperative providing service.

4. In no case will the Cooperative connect a service facility which is considered mobile equipment.

5. The length of temporary facilities shall be limited as follows:

   a. Single (1) phase 120/240v, underground service up to a maximum of six (6) feet.

   b. Single (1) phase 120/240v, overhead service up to a maximum of fifty (50) feet.

   c. All other types and lengths of service will be positioned as provided for in the associated cost estimate.

6. In all cases, the applicable or governing safety clearances will be maintained. If at any time the facilities of the Cooperative or the member do not comply with governing standards, service will be interrupted until such time the noted violation is corrected.

7. In those cases where temporary service is required and will not be converted to permanent service, where an existing transformer does not exist, or where the primary facilities have not been extended, the stated fee will be increased to cover the necessary additional facilities as outlined in Section II, C, 1, c.

Public Disclosure Document

8. The application for and the providing of temporary service shall be consistent with the service rules and regulations of the Cooperative and under retail rates set by the Board that apply to this type of service.

9. The Cooperative reserves the right to decline providing temporary service if the requirements are not followed, as contained herein, and as outlined in the applicable Cooperative documents, including but not limited to, applicable retail rate schedules and service rules and regulations.

D. The Cooperative, at its sole discretion, may waive any fee for new facilities when it has been determined that such temporary service facilities would be in the best interest of the Cooperative from a reliability or safety standpoint.

E. Any change in the fee contained in this policy or in other Cooperative documents will not be considered as "retroactive" or "applicable to" an event that occurred prior to the effective date of the change. Nor will any member derive any benefit, not applicable at the time of the event, should this policy change.

F. All charges and retail rates will be based on the policy in effect at that time, and as approved by Board action in force at that time.

SECTION 9 – RESIDENTIAL BUDGET BILLING PLAN (NO. 310)

The following general guidelines are applicable to the Plan for only residential type service:

A. The qualifying member must adhere to the following requirements:

1. A Cooperative member must have an Acceptable Credit History which supports them gaining access to the Plan. For purposes of this policy, an Acceptable Credit History is defined in Exhibit "A" of this policy.

2. Prior to receiving service under the Plan, a member must have generally maintained continuous electric service at the requested location for the most recent twelve (12) months and **not** have an outstanding balance (e.g. balance must be equal to zero or a credit balance) owed to the Corporation.

3. While participating in the Plan, the member must pay their monthly bills as outlined by the Plan. Failure to pay a monthly bill / invoice may result in removal from the Plan.

4. At any time during the eleven (11) month period, the Cooperative has the right to change or modify the budget amount (e.g., plus (+) or minus (-)) contained in the Plan. The Cooperative will document all changes and regularly advise the member of the status and account balance on their billing statement.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

5. The twelfth (12th) month ("Settle Up") bill will consist of the following:

   a. The actual amount of usage and billing for the twelfth (12th) month.

   b. If the running totals of the previous eleven (11) monthly bills produces a "credit" when compared to "actual" charges, it will be deducted from the twelfth (12th) month bill.

   c. If the running totals of the previous eleven (11) monthly bills produces a "debit" when compared to "actual" charges, it will be added to the twelfth (12th) month bill.

   d. The total twelfth (12th) month bill should be paid in full as outlined above and, generally, prior to beginning the next budgeting period.

6. The member or the Cooperative may choose to terminate the Plan, at any time, without cause. If the Plan is terminated, generally, the next billing will contain the actual usage of the current month in addition to the "credit" or "debit" balance resulting from participation in the Plan.

7. If the account is not paid as outlined in the Plan, or if the member does not maintain an Acceptable Credit History, the Cooperative may elect to terminate the Plan and the consumer will be notified of this action.

8. If an account receiving service under the Plan is disconnected for non-payment of a past due balance, then all past due charges will be due and must be paid prior to re-establishing service.

9. The member on the Plan will have the opportunity to make arrangements for balances due, per the applicable Cooperative policy.

10. Once participation in the Plan has been terminated, for any reason, by the member or the Cooperative, all balances (e.g. credits or debits) will be placed on the member's account as current charges and will follow the normal payment and delinquent process.

11. Generally, only accounts billed under a residential retail rate (e.g., Schedules "H", "TU" and "CPPR") qualify for service under this Plan. No other type of account (e.g. commercial account) will be allowed access to this Plan.

B. WAIVER OF PROVISIONS

1. The Cooperative, at its sole discretion, may waive any time restriction for participation, as stated herein, when it has been determined such limitations are not required from a risk of loss revenue standpoint.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

Exhibit "A"

Residential Budget Billing Plan

DEFINITION(S)

A. Acceptable Credit History – It shall be when an account of a member has no more than one (1) of any of the following events during the most recent thirty (30) consecutive months:

1. Checks returned unpaid by their financial institution or other payment failures such as credit or debit card payments, for any reason (including charge backs); or

2. Disconnect for non-payment or causing the Cooperative to incur a debt.

SECTION 10 – SERVICE SECURITY DEPOSITS - COMMERCIAL (NO. 312)

A. DEPOSIT REQUIRED

For each and every commercial account and similar type of service connection of a member of the Cooperative, except as herein provided, a service security deposit, or an increase thereof, will be collected either in advance of receiving electric service, or as otherwise prescribed by this policy.

B. AMOUNT OF DEPOSIT

The amount of the deposit, or any exceptions to the payment of a deposit, is set forth herein and more specifically in Appendix "A" of this policy.

C. NEED FOR DEPOSIT

Determining the need for and amount of service security deposits will be based on the Cooperative giving careful consideration to the following factors:

1. Level of financial risk;

2. Risk involved in a new electric service account;

3. Level of credit to be extended to the applicant;

4. Applicant's Satisfactory Credit Rating status, as defined herein;

5. History of disconnect for non-payment, uncollected past due or written-off amounts, or any payment instrument which has been recalled or deemed to be non-negotiable for any reason at the involved premises or for the involved member; and

Public Disclosure Document

6. Any other factor having a realistic bearing on the applicant's financial dependability and ability to pay their Cooperative energy bill.

D. NO INTEREST

No interest shall be paid by the Cooperative on service security deposits.

E. SATISFACTORY CREDIT RATING

For purposes of this policy, including Appendix "A", a Satisfactory Credit Rating is defined as the account of a member having no record of: payment instruments which are recalled or deemed to be non-negotiable for any reason; being disconnected for non-payment of account; or, causing the Cooperative to incur a debt due to bankruptcy for the most recent thirty (30) consecutive months.

F. REFUNDS

1. Service security deposits will, at the sole discretion of the Cooperative as outlined herein, be refunded or evaluated for refund based on the following criteria:

   a. As provided for in a written contract for service.

   b. For single-phase commercial service and multi-phase commercial service, upon termination of service with the Cooperative for the account in which the deposit applies.

   c. Or upon such other conditions as may be established by the Cooperative.

2. Should it be decided a refund of the deposit is in order, the deposit shall first be applied to any outstanding debt then owed to the Cooperative and then any unused portion of the deposit will be either returned to the member or credited to an active account.

APPENDIX "A"

SERVICE SECURITY DEPOSITS

1. Service security deposits will not be required for commercial service only as outlined under the following circumstances:

   a. When an **existing member,** in a location owned or rented by the member, has established a satisfactory credit rating for the specified period and is requesting an additional commercial service or is relocating to another location.

Public Disclosure Document

b. When, upon request of a commercial applicant to render service to a location, as described herein in paragraph "A" above, after considering the credit history of an account reported in the name of the applicant's spouse or former spouse when the applicant can demonstrate the spouse's credit reflects the applicant's satisfactory credit rating and is for the specified period, determines that the applicant has a satisfactory credit rating.

c. Service security deposits will not be required for service to agencies and divisions of the federal and state governments, municipalities, and counties, unless required under special agreements or contracts for service.

d. Service security deposits will not be required for service to local and national community action groups and community service programs designated to improve the general opportunities for minorities, females, and other protected groups in support of the Cooperative's Affirmative Action Plan (AAP).

e. In order to receive a waiver of deposit as outlined in any of the items listed above (A–D), the Corporation **must** first receive a signed membership form from the member.

2. Service security deposits will be required under the following circumstances and must be accompanied by a signed membership form from the member:

a. Single-Phase Commercial Service:

1) New single-phase commercial members who cannot meet the requirements described herein will be required to pay an initial deposit of $600.00 and this deposit must be paid before receiving electrical service.

2) Former single-phase commercial members will be required to pay, before receiving electrical service, any amounts then due the Cooperative **plus** a deposit of $600.00

3) Existing single-phase commercial members without a satisfactory credit rating will be required to pay any outstanding past due amount then due the Cooperative on their current account(s) **and** will be required to pay a security deposit of $600.00, prior to receiving electrical service. Should the member already have a deposit which is less than the deposit required and is required to pay an additional deposit, that deposit will be increased. The risk of default will be considered, and this increase may be requested at any time. The member may be billed for any additional fees and will be required to pay these fees as requested by the Cooperative and may do so, at the Cooperative's sole discretion, in no more than three (3) equal payments.

4) New multiple single-phase commercial members will be required to pay a service security deposit before receiving service equaling $600.00 per service point.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

b. Multi-Phase Commercial Service on Rate Schedule "G":

1) New multi-phase commercial members who cannot meet the requirements described herein will be required to pay an initial deposit of $1,750.00 and this deposit must be paid before receiving electrical service.

2) Former multi-phase commercial members will be required to pay, before receiving electrical service, any amounts then due the Cooperative **plus** a deposit of $1,750.00.

3) Existing multi-phase commercial members without a satisfactory credit rating will be required to pay any outstanding past due amount then due the Cooperative on their current account(s), **and** a security deposit of $1,750.00, prior to receiving service. Should the member already have a deposit which is less than the deposit required and is required to pay an additional deposit, that deposit will be increased. The risk of default will be considered, and this increase may be requested at any time. The member may be billed for any additional fees and will be required to pay these fees as requested by the Cooperative and may do so, at the Cooperative's sole discretion, in no more than three (3) equal payments.

4) New multiple multi-phase commercial members will be required to pay a service security deposit equaling $1,750.00 per service point, prior to receiving electrical service. In no case will the charges be less than $1,750.00 per account.

c. Multi-Phase Commercial Service on Rate Schedule "SC" and "SCD":

1) New multi-phase commercial members who cannot meet the requirements described herein will be required to pay an initial deposit of $600.00 and this deposit must be paid before receiving electrical service.

2) Former multi-phase commercial members will be required to pay, before receiving electrical service, any amounts then due the Cooperative **plus** a deposit of $600.00.

3) Existing multi-phase commercial members without a satisfactory credit rating will be required to pay any outstanding past due amount then due the Cooperative on their current account(s), **and** a security deposit of $600.00, prior to receiving electrical service. Should the member already have a deposit which is less than the deposit required and is required to pay an additional deposit, that deposit will be increased. The risk of default will be considered, and this increase may be requested at any time. The member may be billed for any additional fees and will be required to pay these fees as requested by the Cooperative and may do so, at the Cooperative's sole discretion, in no more than three (3) equal payments.

Public Disclosure Document

4) New multiple multi-phase commercial members will be required to pay a service security deposit equaling $600.00 per service point, prior to receiving electrical service. In no case will the charges be less than $600.00 per account.

d. Multi-Phase Commercial Service on All Other Commercial Rate Schedule(s):

1) New or existing multi-phase commercial members with and without satisfactory credit ratings will be required, prior to receiving electrical service, to pay any outstanding past due amount then due the Cooperative on their current account, **and** a security deposit which shall be the greater of;

1. $1,750.00, or
2. An amount equal to two (2) months average bill

2) Should the member already have a deposit which is less than the deposit required and is required to pay an additional deposit, the deposit will be increased.

3) The risk of default will be considered, and this increase may be requested at any time.

4) The member may be billed for any additional fees and will be required to pay these fees as requested by the Cooperative and may do so, at the Cooperative's sole discretion, in no more than three (3) equal payments.

SECTION 11 – UNCLAIMED PATRONAGE CAPITAL (NO. 316)

A. GENERAL

1. It is the policy of the Board to require the staff of the Cooperative (Staff) to follow the laws of the State of Georgia and rules of the Georgia Department of Revenue (GDOR) relative to the handling of unclaimed patronage capital.

B. PROCESS

1. The Staff shall, each year and during the year, provide notice to former members of the Cooperative, via a process and program consistent with the guidelines outlined by the GDOR, of any amounts of retired patronage capital that are unclaimed.

2. Patronage capital which remains unclaimed for five (5) years after retirement will be defined as "Abandoned Patronage Capital". The Staff shall prepare a list of those members and former members who have not claimed the Abandoned Patronage Capital and present it to the Board for their review and consideration. This list shall include, but is not limited to, the following:

Public Disclosure Document

a. The number of members affected, each member's name, their former address, their last known mailing address, if different, the amount of unclaimed patronage capital defined as abandoned and any other information requested by the Board.

3. After a review of the information provided by the Staff, the Board will evaluate the various actions available to it and direct the Staff, either by a resolution or Board action, on their decision as to how these Abandoned Patronage Capital funds shall be disbursed.

4. Currently under Georgia Law, Abandoned Patronage Capital may only be used by the Cooperative for: (1) education, (2) economic development, and (3) donation to a charitable organization which is serving the area.

5. The Staff shall follow the direction of the Board and take only those actions sanctioned and approved by the Board.

6. The Board may wish to restrict its donation of Abandoned Patronage Capital funds for specific purposes or uses and, if so, the Staff will ensure that such restrictions / actions are adhered to by the receiving party.

7. Should the Board direct that some portion of the Abandoned Patronage Capital Credits be directed to the Sawnee Foundation (Foundation), a separate check will be written to document the transfer of the funds to the Foundation.

C. REPORTING

1. The Staff shall report directly to the Board any known violation of this Policy or variance from the Board's resolutions made hereunder.

2. The Cooperative's external Auditor (Auditor) shall be advised of all actions taken under this policy and will be asked to audit the Staff's actions each year as a part of the annual corporate audit. The Auditor shall report his findings to the Board as part of the annual corporate audit report.

D. INTERNAL CONTROLS

1. The Staff shall develop and maintain adequate internal controls to track all actions under this policy.

2. These internal controls shall be tested regularly to ensure that they are actually tracking the actions of the staff in this area.

Public Disclosure Document

SECTION 12 – REDESIGNATION OF CAPITAL CREDITS TO ANOTHER (NO. 317)

A. GENERAL

1. As outlined herein, the Cooperative will allow the reassignment of patronage capital rights from a member or a former member ("Assignor") to a new recipient ("Assignee") as provided in this Policy.

B. PROCESS

1. The request to reassign rights to patronage capital shall be submitted on a form designated for this purpose. (See, "Application for Redesignation of Capital Credits for Entity No Longer in Existence").

   a. All information necessary to review and complete the request must generally be provided by the Assignor. If the Assignee completes the request, the request must be supported by the appropriate documentation.

   b. The request will be reviewed by the staff of the Cooperative (Staff) for completeness and accuracy. The Cooperative's legal advisors may be consulted as needed.

   c. A request for reassignment must be executed by the party with legal title to the capital credit (i.e., a member, a former member, or an assignee of a member or former member).

   d. Upon completing an internal review of the request, the Staff will decide on the validity of such request. Staff may consult with legal counsel if necessary. Upon approval of a request, Staff should redesignate ownership of the account to the designated Assignee, including all assigned patronage capital and any future assigned patronage capital.

   e. An Assignee's rights to the account shall be subject to all claims arising through either the Assignee or the Assignor.

2. OTHER

   a. The Cooperative's Service Rules and Regulations, Bylaws and Policies will apply to any Assignee and the reassigned patronage capital.

   b. The Assignee shall, to the greatest extent possible, be treated as the Assignor, for purposes of general, special, and deceased member retirements.

   c. The Assignor will no longer be considered the Member of Record of the Cooperative and will lose all rights relating to the reassigned patronage capital.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

3. TERMINATION OF REASSIGNMENT PROCESS

a. Should at any time and in the sole determination of the Board of Directors (Board) of the Cooperative, it determines that this policy or any part thereof is not in the overall best interest of the Cooperative, it may seek to change and/or eliminate this activity.

SECTION 13 – CAPITAL CREDITS ALLOCATIONS (NO. 318)

A. GENERAL

1. The Cooperative shall allocate Capital Credits in a manner that:

a. is in compliance with state and federal law;

b. is consistent with operating on a cooperative basis under federal tax law;

c. is considered by the Board of Directors (Board) to be fair and reasonable to the Cooperative's patrons and former patrons;

d. is in the overall best interest of the Cooperative and its members;

e. is consistent with Generally Accepted Accounting Practices (GAAP).

2. Subject to state and federal laws, the Cooperative's Articles of Incorporation, and the Cooperative's Bylaws, specifically Article 9, Non-Profit Operations, and without regard to any other limitation, provision or policy, the method of allocation of Capital Credits is to be at the sole discretion of the Cooperative's Board and will be performed by the Staff as directed and approved by the Board.

B. EXPECTATIONS

1. **Board Approval.** The Cooperative Staff shall allocate Capital Credits in accordance with the manner, method, timing, and amount as approved by the Board.

2. **Patronage Earning Allocations.** The Cooperative shall allocate to each patron, as approved by the Board, the applicable patronage earnings during the fiscal year.

3. **Patronage Loss Allocations.** The Cooperative shall offset patronage losses with the Cooperative's non-operating margins as prescribed by Rural Utilities Service (RUS) and generally accepted accounting principles (GAAP).

Public Disclosure Document

C. LIMITATIONS

1. **Forfeiture of Capital Credits.** The Cooperative shall not enter into contracts through which a patron or former patron forfeits the right to the allocation of Capital Credits. The Cooperative shall not require any patron or former patron to forfeit the right to the allocation of Capital Credits.

2. **Patron Classes.** As approved by the Board, the Cooperative may allocate Capital Credits to different classes of similarly situated patrons or former patrons utilizing different manners, methods, timing, and amounts, provided the allocated capital credits are assigned to similarly situated patrons and former patrons under the same manner, method, timing, and amount.

3. **Notice of Allocation.** Within a reasonable period of time following the end of a fiscal year, the Cooperative shall either;

   a. Notify each patron, in writing, of the amount of capital credits allocated to the patron for the preceding fiscal year through a written notice stating the dollar amount allocated; or

   b. Notify each patron of the aggregated amount of patronage capital, Cooperative Patronage Capital and Associated Organizations Patronage Capital, and provides a clear explanation as to how each patron may compute and determine for oneself the specific amount credited to him or her.

4. **Rules**. The Board reserves the right to establish rules relating to the allocation, the basis of the allocation as well as the priority of any allocation. This may include, but not be limited to, the allocation of capital credits for individual members, or a class of members, based upon the rates and cost of service for that member or class of members.

SECTION 14 – RETIREMENT OF PATRONAGE CAPITAL, ON A DISCOUNTED BASIS, TO FORMER MEMBERS TO SATISFY A DEBT OWED TO THE CORPORATION (NO. 319)

A. As used in the policies of the Corporation, the following terms shall have the following meanings:

1. "**Affiliated Organizations**" shall mean cooperative organizations from which the Corporation is entitled to receive patronage as a result of its patronage thereof, including, but not limited to a power supply cooperative, a cooperative lending money, a cooperative

Public Disclosure Document

selling materials and supplies, a cooperative processing data or information, or a cooperative furnishing services or such similar organizations.

2. "**Patronage Capital**" shall mean all amounts in excess of operating costs and expenses, which the Corporation has allocated to its Members or his/her/its designee. As used herein, "Patronage Capital" shall also include Patronage Capital allocated and received by the Corporation by Affiliated Organizations.

3. "**Corporation**" shall mean Sawnee Electric Membership Corporation.

4. "**Debt Owing Former Member**" shall mean a Former Member of the Corporation who owes a debt to the Corporation.

5. "**Former Member**" shall mean any Individual or artificial entity that had in the past received services from the Corporation but has terminated their membership in and service from the Corporation.

B. The Corporation's staff shall prepare for the Board's review, a report of Patronage Capital allocated to Debt Owing Former Members, on a monthly basis.

C. Upon receiving the foregoing report, the Board may approve such early retirement of Patronage Capital, on a discounted basis, to satisfy the debt now due to the Corporation provided, however, that it first determines that no such early retirement shall: (1) impair the financial condition of the Corporation, or (2) otherwise jeopardize the Corporation's ability to make general patronage capital retirements now or in the future.

D. The processing of such early retirement of Patronage Capital to Debt Owing Former Members approved pursuant to this policy shall be in accordance with the following provisions:

1. Only debt owed to the Corporation will be satisfied, on a discounted basis, and no cash distribution shall be made to a Former Member pursuant to this Policy.

2. Any allocation of Patronage Capital not used to satisfy the debt owed by a Debt Owing Former Member will remain allocated to the Former Member on the records of the Corporation until and unless retired by action of the Board.

E. The standards for computing and implementing retirements to Debt Owing Former Members, on a discounted basis, to satisfy a debt owed to the Corporation shall be as follows:

1. The total accumulated Unretired Patronage Capital of a Debt Owing Former Member allocated in the records of the Corporation shall be reduced by discounting the same, on a present value basis, and then deducting any debt of the Debt Owing Former Member to the Corporation.

Public Disclosure Document

2. The present value factor described herein shall be derived, as outlined below:

   a. The discount (interest) rate will be equal to the annual weekly average of the Federal Financing Bank (FFB) interest rate paid by the Corporation for a similar term and published by RUS or NRUCFC during the previous calendar year plus a long horizon expected risk factor of 9.16%.

   b. Such rate shall become effective January 1 of each year for the following 12 months and will be updated annually or as the Board of Directors determines that conditions warrant a higher or lower discount rate.

F. The amount of Patronage Capital remaining after the discounting of Patronage Capital shall be retained by the Corporation and credited to Account 217, Retired Patronage Capital - Gain, and shall not thereafter be reassigned to any other member or any other person but will be subject to cash payout only in the event of dissolution of the Corporation as allowed under the Bylaws of the Corporation.

G. No early retirement of Patronage Capital shall be authorized except upon the approval of the Board in accordance with this Policy and other policies and the Bylaws of the Corporation.

H. The staff will be authorized to provide the approved retirements as outlined herein.

SECTION 15 – DORMANT PATRONAGE CAPITAL SERVICE CHARGE (NO. 320)

A. The Board of Directors (Board) of the Cooperative shall establish, for the Staff's use, an annual, per account service charge (Service Charge) applicable to Abandoned Accounts.

B. The basis for this Service Charge shall be computed by the Staff based on actual total costs incurred relating to the servicing of all Abandoned Accounts, divided by the total number of Abandoned Accounts to calculate a per account Service Charge to be applied.

C. After review of the Staff calculation, the actual amount of the Service Charge shall be established by Board action.

D. Prior to the disposition of funds in Abandoned Accounts pursuant to Policy 316, the Staff shall apply the Service Charge against each Abandoned Account based on the lesser of:

   1. The net balance of the Abandoned Account, or
   2. The then current Service Charge.

E. The Board, at its sole discretion, may amend, change, or eliminate this Policy and its application at any time without notice.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

SECTION 16 - MEMBER ACCESS TO COOPERATIVE INFORMATION (NO. 401)

A. GENERAL

1. The Board of Directors ("Board") of the Cooperative shall strive to keep the Cooperative's members adequately informed about the Cooperative's operations and financial condition, while appropriately protecting privileged, confidential or proprietary information.

2. To this end, the Cooperative shall routinely make information available in various ways, including: through its newsletter, website, social media channels, public filings with the Georgia Public Service Commission, information available at the Cooperative's offices and through its staff, and the reports presented at membership meetings.

B. PUBLICLY DISCLOSED INFORMATION

1. In furtherance of this policy, the Cooperative shall, as outlined herein and without charge, provide copies of the following information:

   a. The Cooperative's articles of incorporation, bylaws, rates, charges and fees, service rules and regulations, and annual reports;

   b. Any publications the Cooperative may have for general distribution relating to the efficient or safe use of electric energy, the Cooperative's energy use and conservation programs, and the like;

   c. First, second and third quarterly unaudited consolidated operating information for the Cooperative's current accounting period that have been approved by the Board for release;

   d. Audited Year-end operating and other financial reports, for the Cooperative's previous three (3) fiscal years, that are regularly made to the Rural Utilities Service (RUS), Internal Revenue Service (IRS) and/or the National Rural Utilities Cooperative Finance Corporation (NRUCFC);

   e. Formal financial audit reports rendered periodically by the Cooperative's independent auditor(s);

   f. The minutes of any Annual or District member meeting occurring in the ten (10) years prior to the request.

C. PROTECTED INFORMATION

1. Subject to the conditions and limitations set forth below, the following information will be considered protected and may be made available only to members of the Cooperative who

Public Disclosure Document

are in good standing, and only upon such member's written request on the attached form and consistent with the other restrictions listed herein:

a. The regular minutes of any prior meeting of the Board;

b. Monthly or other special operating and financial reports of the Cooperative submitted by management to the Board;

c. The names, addresses, telephone numbers and email addresses of the Cooperative's members. In an effort to protect member privacy, additional restrictions and/or limitations may apply to this data; and

d. Other Cooperative information relevant to a member's interest.

D. RESTRICTIONS ON INFORMATION

1. Access to Protected Information may be denied for the following reasons;

a. If such request is deemed to be for an unlawful purpose, if the member is not in good standing with the Cooperative, or:

b. The member fails or refuses to complete, sign and submit the attached Request for Information Form and to make the warranties and representations set forth therein; or

c. If the request is for a purpose that is not reasonably related to the business of the Cooperative; or

d. If the request is for a dishonest purpose, or to gratify mere curiosity, or is inimical to the lawful interest of the Cooperative, or is for a purpose not reasonably germane to the interest of the member as such; or

e. If the member refuses to execute an agreement restricting his use of such information in such lawful manner as is necessary to protect the legitimate interest of the Cooperative, its members or employees; or

f. If the information sought is of such a nature that, if disclosed, such disclosure would violate a person's right to privacy, violate any agreement with third parties with respect to trade secrets, or adversely affect the Cooperative in its negotiations with third parties; or

g. If the information sought is of such a nature that, if disclosed, such disclosure would adversely affect the Cooperative unduly out of proportion to the possible competing interest of the member seeking to examine such information; or

Public Disclosure Document

h. If the information sought is of such a nature that, if disclosed, such disclosure would violate the privilege of confidential communication between the Cooperative and its attorneys; or

i. If the Cooperative information requested deals with trade secrets or other information that is privileged, confidential or proprietary.

2. The Cooperative disclaims any liability resulting from the unauthorized publication of information disclosed under the provisions of this policy and may recall any information provided hereunder. Furthermore, any requesting party may be required to return the information provided once their use for such information has expired.

E. MANNER TO REQUEST

1. A request for the information listed herein as Protected Information, above, must:

a. Be submitted in writing, using the attached Request for Information Form, addressed to the Executive Committee and the President and Chief Executive Officer ("CEO") of the Cooperative (see Exhibit "A").

b. Express the need for the information clearly stated in the request.

F. REQUEST REVIEW

1. The Executive Committee of the Board shall, within a reasonable period of time which will not exceed thirty (30) days, review the request and, after consideration, may direct the CEO to provide the information on a schedule it will provide to the requesting party and in a format it determines acceptable, if it determines that the information is a bona fide request that meets the criteria established by this Policy.

2. Otherwise, the Executive Committee of the Board may refer the request to the full Board for consideration and action. The Board may take such time as it deems necessary to fully evaluate and consider such request.

G. REQUEST FOR SELF INFORMATION

1. When a member of the Cooperative requests the release of his or her own Cooperative member information, the member must demonstrate his or her identity by providing reasonable and unique information to the Cooperative.

2. Such reasonable and unique information may include, but will not be limited to, Cooperative account number, member number, facsimile signature, or a combination of the foregoing.

Public Disclosure Document

3. Once the Cooperative member's identity has been confirmed, the member can direct the Cooperative to release specific and necessary Cooperative member information to companies and/or individuals by completing and submitting the attached Authorization to Release Member Information Form (see Exhibit "B").

H. COST TO PROVIDE

1. The Cooperative shall, within reason, furnish or transmit, free of cost, on a schedule it will provide to the requesting party and in a format it determines acceptable, true and correct copies of items listed in paragraph II.A, above, as well as any other item, which in the Cooperative's sole discretion will entail only minimal copying or transmitting costs.

2. A member shall bear all costs of copying or otherwise transmitting the information requested. Such copying and /or transmitting shall be done as prescribed by the Cooperative.

I. AFFILIATES

1. Notwithstanding anything contained herein to the contrary, the Cooperative reserves the right to provide information to its agents and affiliates so long as, in the sole opinion of the Cooperative, the provision of such information is consistent with the activities associated with the operation of the Cooperative.

SECTION 17 – AREA COVERAGE/EXTENSION & RELOCATION OF SERVICE (NO. 402)

A. The Cooperative will render electric service through extension of single phase, overhead electric service, at published rates and minimum charges without any required contribution in aid of construction (CIAC) to any member applicant, of the Cooperative, authorized to enter into mutual legally binding contracts and who has a permanent installation included in the following classifications:

1. Residences;
2. General farming operations;
3. Poultry operations;
4. Commercial and industrial operations;
5. Schools;
6. Churches; or
7. Public buildings

B. In case of applications for electric service of types or characteristics other than those set forth in Section II.A, where in the opinion of the Staff no guarantee or assurance of continuous operation can be afforded, no line extension will be constructed without the prior approval of the President

Public Disclosure Document

and Chief Executive Officer (CEO) and only after the applicant has agreed to the following conditions of service:

1. Based on the level of investment required, the Cooperative may require one or both of the following:

   a. A non-refundable CIAC in an amount equal up to 100% of the estimated installation and removal cost of the electric plant investment required to provide the electric service and such CIAC will be paid in cash prior to the commencement of construction.

   b. A refundable deposit in an amount equal up to 100% of the estimated installation and removal cost of the electric plant investment required to provide the electric service and such deposit will be paid in cash prior to the commencement of construction.

2. The deposit, if required, will be held by the Cooperative, without interest, as an assurance or guarantee of its investment, and will remain with the Cooperative as outlined below:

   a. Beginning with the 60th month, and each year thereafter, the deposit will be returned to the consumer in the form of a credit on their electric energy bills at the rate of 20% of the total deposit until full credit for the deposit has been returned.

   b. The applicant must enter into a contract / agreement for the purchase of power for a period of not less than ten (10) years. If such contract / agreement is terminated by the applicant prior to its expiration date, the amount of deposit being held by the Cooperative, whether in full or in part, will be forfeited by the applicant and applied to the cost of the Cooperative's investment in the electric facilities and their removal.

3. Should a single phase facility not exist and the load is of one of the classifications listed in Section II A, and requires three (3) phase service, a credit will be given for a representative overhead single phase facility equivalent in the cost calculation described herein.

4. Applications for electric service to large power consumers (1,000 kW or larger) shall be handled in accordance with the procedures recommended by the Rural Utilities Service as outlined in the applicable RUS Bulletin and other applicable RUS publications.

5. Applications for multi-phase (three phase) electric service shall be handled on an individual basis and may or may not require a deposit and/or a CIAC as described herein. The Cooperative's physical plant investment will be the determining factor in each case. Should a deposit or contribution be required, Section II.B of this policy shall apply.

Public Disclosure Document

C. In the event application for electric service is received by the Cooperative, which is known to be of a temporary or limited nature, service may be extended only as outlined in Corporate Policy No. 309, Temporary Service Policy.

D. In the event a member elects to receive service from underground facilities or relocate underground facilities, Policy 409, Underground Electric Service Policy, will apply.

E. When interested parties request either existing or proposed facilities to be relocated, resulting in an increased cost to the Cooperative, the following guidelines will apply:

1. All costs in excess of the anticipated normal cost of a request will be borne by the requesting party. For this section only, normal cost will be defined as that cost above what the Cooperative would have incurred should the party not have requested the relocation. The time value of future investment may be considered in present value analysis when applicable.

2. It will be the sole responsibility of the requesting party to provide, at the requesting party's expense, all necessary easements and other items as deemed necessary by the Cooperative in order to perform the requested relocation.

3. The Cooperative reserves the right of refusal to relocate any and all facilities it deems would not be in the overall best interest of the Cooperative.

4. All necessary payments, documents, and other requirements must be provided prior to the Cooperative commencement of actual work.

F. Electric service will not be supplied in competition with the Cooperative's own service, either wholesale or retail, or for distribution or supply, or resale in territory assigned to or proposed to be occupied by the Cooperative. Modifications of this provision will be approved only by the CEO upon express written request of the member.

G. Should additional members of the Cooperative receive service from a facility which was required to provide either a deposit or contribution, credit may be given to the original payee and refunded accordingly at the sole discretion of the Cooperative.

H. As provided for in Rate Schedule CEV, Commercial Electric Vehicle (CEV) Charging Station Service, all costs associated with providing service to a Level 3 PEV charger, will be borne by the requesting party.

I. Notwithstanding any of the above provisions of this policy, the Board of Directors (Board) may see fit to suspend all or a part of the provisions of this policy in any line extension or extensions in the event that such suspension serves the best overall interest of the Cooperative.

Public Disclosure Document

SECTION 18 – PAYMENTS, DISCONNECTION FOR NON-PAY AND ARRANGEMENTS (NO. 403)

This policy is designed to serve as a guide for the Staff for both internal and external operating procedures.

PAYMENT

A. The purpose of this policy is to state the Cooperative expects all bills, statements, or other requests for payment to be made, as requested. No member of the Cooperative shall make payment with any instrument not considered by the Cooperative to be negotiable.

B. Any member making payment to the Cooperative with a check, which causes them to establish what is not considered Satisfactory Credit, as defined in Policy 307, Service Security Deposits – Residential, and Policy 312, Service Security Deposits – Commercial, will lose their right to make future payments by check for a specified period of time as determined by the Cooperative.

C. Applicable charges as outlined in Policy No. 302, Service Fees, will apply for all returned checks, as well as the standards outlined in Policy 307, Service Security Deposits – Residential, and Policy 312, Service Security Deposits – Commercial.

D. Applicable charges as outlined in Policy No. 302, Service Fees, will apply to all credit cards, debit cards or other qualifying alternative payment methods.

E. Payments made to the Cooperative via approved credit cards (e.g., American Express, Visa, MasterCard, Discover and other) for billed amounts, cannot exceed $4,500.00 per account. Amounts over this limit must be paid by other means such as cash, check, money order or another acceptable legal tender.

F. During normal business hours, payment must be received prior to reconnecting an account disconnected for non-pay.

G. It is the responsibility of the member to provide the account(s) and the dollar value(s) to allocate with each payment. When this information is not furnished, and

1. a member makes a single payment which is to be applied to multiple accounts within an invoice group (in a single members' name), generally, the payment will be applied to the oldest aged account balance and any remaining funds will be subsequently distributed based on the highest account balance of each additional account thereafter.

2. a member, who has multiple accounts not in an invoice group, makes a single payment, generally, the payment will only be applied to a single account.

3. at the request of a member, excess account balance(s) can be transferred to additional account(s) within the same members' name.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

H. After normal business hours, payment must generally be received at the Cooperative's office prior to reconnection for non-payment. Exceptions will be considered on a case-by-case basis.

ARRANGEMENTS

A. GENERAL

It should be understood that the Cooperative is not proposing to extend credit via a payment arrangement to all accounts, in all cases. The Cooperative will use the member's past payment history, their level of debt and other factors in determining if a payment arrangement will be allowed. The guidelines in this section are to explain practices and do not provide absolute rights.

B. INTERNAL

The Staff of the Cooperative's Customer Service section will be assigned as the only group which can make a payment arrangement as it relates to a member's charges.

C. EXTERNAL

1. All employees of the Cooperative's Customer Service section can make payment arrangements under the following conditions:

   a. Arrangements can only be made on balances less than 60 days old.

   b. When disconnection for non-payment of the account occurs, generally no payment arrangement can be made and all outstanding charges, excluding current charges not past due, all of which must be paid to the Cooperative prior to reconnection.

   c. The Cooperative will keep a running total of the number of arrangements each consumer makes on each account for the most recent 12-month period. Each consumer will be allowed to make a maximum of four (4) arrangements within the most recent 12-month period for each account. This maximum number includes any special or emergency arrangements which may be deemed as acceptable by the Cooperative.

   d. If no payment has been paid to the Cooperative since the initial "connect date" of an account or a required deposit has not been paid, no payment arrangement will be allowed.

   e. For outstanding balances, the following conditions will apply:

      1) For current bills, members will be allowed to make payment arrangements, within limits, on this balance as described herein.

Public Disclosure Document

2) For accounts with balances classified as 30 Days Past Due, members will be limited on the level of arrangements which can be made on these balances. The arrangements cannot exceed $500.00 and must be paid in full at the time agreed upon.

3) For all other accounts (e.g. 60 and 90 days past due), no arrangements or extensions will be made on these balances.

f. No payment arrangements will be allowed for payments on billing balances where payment is made by a check which has been deemed to be from an account with insufficient funds.

g. No arrangements will be allowed for payments on billing balances where the Cooperative's records indicate the account has previously received two (2) returned checks for insufficient funds in the most recent 30 months.

2. Any exception to these standards can only be made with the permission of the designated approved employee.

3. Partial payment constitutes the consumer failing to complete the payment arrangement agreement.

4. Generally, the payment arrangement will be repeated back to each consumer after the arrangement is agreed upon.

5. Extension of any existing payment arrangement will only be given in cases of hardship or emergencies. In such case, the Cooperative will allow a maximum extension of five (5) working days. This extension must occur prior to the expiration of a member's existing payment arrangement or being subject to service disconnection.

DISCONNECTION FOR NON-PAYMENT

For outstanding balances, the following guidelines will apply:

A. CURRENT BILL

1. Members will be allowed to remit payment as specified on the bill and no disconnection for non-payment activity will occur if payment is received by the specified due date.

B. PAST DUE

1. An account will normally be considered to be delinquent / past due once the age of the balance has exceeded the due date stated on the billing statement.

Public Disclosure Document

2. All accounts which have a balance due not paid as of the due date stated on the bill form will be considered delinquent and subject to the disconnection practices of the Cooperative.

3. All charges, fees, and other conditions shall apply as specified.

SECTION 19 – BILLS ELECTRIC AND OTHERS, SUBJECT FOR CORRECTIONS BY REVISIONS AND MAKING ADJUSTMENTS (NO. 404)

A. The Cooperative shall verify, by having reviewed, inspected, and/or tested, any complaint received regarding electric or other types of bills, for errors in figures, calculations, etc., prior to making any corrections or adjustments.

B. The Complaint shall be directed to the department(s) directly responsible for examining and determining whether or not the Complaint is justifiable, by assigning personnel to conduct an investigation, inspection, and/or testing and, when appropriate, providing their findings on the Complaint.

C. It shall then be the responsibility of the Department Vice President, in charge of the assignment of the investigation, to review and determine whether or not a correction or adjustment should be made based on the findings of said Complaint.

D. The Department Vice President should consult with the President and Chief Executive Officer ("CEO") prior to advising the Member of the Cooperative's findings where the proposed adjustment is equal to or exceeds $1,000.

SECTION 20 – ENERGY CONSERVATION AND DEMAND SIDE MANAGEMENT (NO. 405)

It shall be the policy of the Cooperative to:

A. INTERNAL ACTIVITIES

1. Constantly examine the Cooperative's own use of electric energy. This includes, but is not limited to, physical plant engineering design and construction, lighting, climate controls and other electric energy used by the Cooperative.

B. EXTERNAL ACTIVITIES

1. Develop and communicate energy efficiency programs encouraging Members to utilize cost-effective energy conservation and efficiency strategies. Among other things, such programs may address home insulation, weatherization, load management switches, smart thermostats, efficient heating and cooling, and overall efficient use of electric energy in a Member's home or business.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

2. Develop an informational program to effectively communicate the need for electric energy management, and to educate Members on available options, sponsored by the Cooperative, to meet their electric energy needs most efficiently.

3. Develop and communicate information on educational programs with major groups involved in the housing industry, including the building industry and local government organizations, to assure a broader understanding, appreciation for, and to coordinate methods disseminating information on electric energy efficiency.

4. Develop programs to promote sound building practices for Members' homes and businesses.

5. Take other actions, as approved by the President and CEO, in support of the members of the Cooperative efficient use of electric energy.

SECTION 21 – METER TESTS (NO. 406)

A. GENERAL

1. The Cooperative will, as defined by its corporate metering equipment inspection and testing program or upon request by the Member, test the accuracy of the Cooperative's metering equipment.

2. A service fee may apply when a metering test is requested by the Member. The guidelines for charging a fee are set forth in Policy No. 302, Service Fees, for the type of meter being tested.

3. Meter tampering activity which results in the Cooperative's metering equipment not registering or reporting accurate information shall be addressed through Policy 407, Meter Tampering and Theft of Electric Service.

B. TESTING CRITERIA

1. The weighted average of the accuracy rates at full load and light load test conditions shall be +/- 2%. The acceptable accuracy standard for metering equipment is defined herein as +/- 2%. Metering equipment shall collectively consist of the meter and all of its associated components as well as any instrument transformers (e.g. CTs and or PTs), if applicable.

2. The weighted average accuracy shall generally be calculated using the following mathematical equation.

$$((4 \times \text{full load accuracy}) + (1 \times \text{light load accuracy})) / 5.$$

Public Disclosure Document

3. If the Cooperative's metering equipment does not meet the acceptable accuracy standard defined above, the meter shall be adjusted to as close to 100% accuracy as practical. If the Cooperative's metering equipment cannot be adjusted to within the accuracy standard, it shall be replaced.

C. BILLING

1. Upon completion of a test of the Cooperative's metering equipment, should the combined results of the test not meet the accepted accuracy standard, as outlined above, a credit or debit charge will be added to the Member's subsequent electric energy and related service billing.

2. Any additional charges or credits, as outlined herein, will be for a period from the date when the Cooperative believes the inaccuracy first occurred. If the date the inaccuracy first occurred is not known, the adjustment will be for the most recent twenty-four (24) month period, beginning on the date the inaccuracy was discovered and corrected.

3. The Cooperative may, at its discretion, accept less than full payment for a Member's estimated usage at the correct rate for the full period set forth above if:

   a. the Cooperative's exercise of reasonable diligence would have avoided or prevented the mistake from occurring; and

   b. the mistake was not induced by the fraud or other inequitable conduct of the Member.

4. Estimated energy usage and, where required, estimated demand and the associated billings will be based on consideration of all pertinent facts relating to the inaccuracies discovered during the period when the Cooperative believes the error occurred as well as the conditions under which the energy was used.

5. Special payment arrangements for activity associated with incorrectly measured energy usage and/or demand may be allowed solely at the discretion of the Vice President of Office Services or Vice President of Member Services.

6. Should the meter test reveal that the Cooperative's metering equipment has not registered the accurate energy consumption for reasons other than incorrect calibration, the Member's consumption during the period of incorrect registration will be estimated based upon all pertinent facts available to the staff of the Cooperative.

Public Disclosure Document

SECTION 22 – METER TAMPERING AND THEFT OF ELECTRIC SERVICE (NO. 407)

A. DEFINITION

"**Tampering**" means intentionally and without authority opening and/or entering the Cooperative's meter, meter seals, meter base or any other Cooperative equipment or apparatus as well as interfering with the transmission of radio signals from an electric meter. Examples of tampering will include but are not limited to cutting a seal or removing a meter.

"**Damage**" means the intentional damaging or destruction of the Cooperative's metering or related equipment caused in any way by a person attempting to enter a controlled area or space or interfering with the signals from an electric meter. Examples of damage include but are not limited to damaging a meter, a meter base, a locking seal / ring, a C.T. cabinet, radio equipment or other equipment owned by the Cooperative.

"**Theft**" shall mean any act whereby a person intentionally causes, aids or abets in an act causing the Cooperative's meter to improperly register electric energy or related services provided to a Cooperative Member ("Member") or purposefully interrupts the broadcast of signals or other information associated with or from the Cooperative's electric meter. Examples of theft include but are not limited to turning a meter upside down, placing a substance or object over or into the meter, altering the electrical, mechanical, or electronic characteristics of a meter or associated metering equipment, bypassing the electrical meter or other such actions.

B. PROCEDURE FOR INVESTIGATING AND PROCESSING SUSPECTED METER TAMPERING

1. Unless directed otherwise by the President and Chief Executive Officer ("CEO"), suspected meter tampering, damage, malicious blocking of the radio signals from an electric meter or theft of said energy shall be investigated and processed in accordance with the Meter Tampering Investigation Procedure (OPR-P) approved by the CEO.

2. All information concerning these events and the associated investigations shall be in written form and placed in a secure location for future use.

3. These actions and investigations are to be considered confidential and unless required by law, discussed only with law enforcement officials, persons likely to have information relevant to the investigation, the Member(s) involved, and the staff of the Cooperative who "need to know" in order to carry out the provisions of this policy.

C. RE-ESTABLISHMENT OF SERVICE

1. The Cooperative's electric service may be interrupted / terminated during the investigation of tampering, damage, malicious interruption of signals from or theft of electric energy and associated capacity.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

2. Before the Cooperative's electric service will be restored to a location found to be tampered with, damaged, interrupting the signals of or otherwise involved in theft of electric energy or related services and information, pursuant to this policy, the person occupying or applying for service to this location must adhere to the following requirements:

   a. Payment of all amounts then due by the Member to the Cooperative as stated on the most recent billing invoice provided to the Member and other charges outlined herein.

   b. Payment of Investigation Fees and Theft Penalties as outlined below:

      1) Should a Member or individual be found to have tampered with or prohibited the operation of any component of the Cooperative's equipment, as outlined herein, they shall pay an Investigation Fee as defined in Policy 302, Service Fees, as well as the charges outlined in paragraph "c" below.

      2) Should a Member or an individual be found to be damaging the Cooperative's equipment, as outlined herein, that person must pay, in addition to an Investigation Fee as defined in Policy 302, Service Fees, 100% of the replacement cost, including the Cooperative's labor and materials, plus any applicable overheads for the items damaged as well as the charges outlined in paragraph "c" below.

      3) Should a Member or individual be found to have stolen or attempted to steal electric energy from the Cooperative, that person must pay, in addition to an Investigation Fee as defined in Policy 302, Service Fees, a Theft Penalty Fee as defined in Policy 302, Service Fees, as well as the charges outlined in paragraphs "c" and "d" below.

   c. Members who are found to have tampered, damaged, interrupted the normal operation of or been involved in the theft of electric energy or related services will be required to increase the amount of their service security deposit as outlined in the applicable corporate policy. Listed below is the criteria used to determine when this provision is applicable.

      1) Found to have tampered with a meter more than one (1) time,

      2) Found to have interrupted the normal operation of an electric meter radio signal more than one (1) time,

      3) Found to have damaged the Cooperative's equipment,

      4) Found to have stolen energy or related services (theft) from the Cooperative.

Public Disclosure Document

d. Members found to have stolen energy or related services, defined as theft herein, shall pay the Cooperative all estimated energy and related service cost that is owed to the Cooperative for the period of time when the theft is believed to have occurred or to the maximum period allowable by Georgia law. This shall include the estimated cost of energy and related services plus any other charges outlined herein as well as any unpaid balance then owed to the Cooperative.

e. Members found to have interrupted the normal radio signal operation of an electric meter shall immediately cease all such actions so as to allow the normal operation of all of the Cooperative's metering equipment.

f. All fees, penalties, and/or other payments due to the Cooperative, as outlined herein, must be paid in full before electric service will be restored.

D. LEGAL PROCEEDINGS

1. Upon approval of the CEO and after the CEO has consulted with an attorney licensed to practice law in the state of Georgia, any Member found to have violated OCGA § 16-7-25, and/or has committed repeated acts of meter tampering as outlined herein, may be prosecuted by the Cooperative in a Court of Law, in the County in which that Member resides.

2. This legal action is hereby sanctioned by the Cooperative's Board of Directors ("Board") and all action relating to this matter should be reported to the Board as soon as practicable upon seeking such action.

E. SUSPENSION OF MEMBERSHIP

1. As provided for in Article 2, Section 2.01 of the Cooperative's bylaws, a Member may have his/her membership suspended for failure to pay amounts owed to the Cooperative or failure to comply with other Membership obligations.

SECTION 23 – UNDERGROUND ELECTRIC SERVICE (NO. 409)

A. The Board of Directors ("Board") of Sawnee Electric Membership Corporation ("Cooperative") resolves the following to be its policy with regard to the extension of electric service with underground facilities taking in consideration the following feasibility factors: 1) Cost of providing underground service by the Cooperative, 2) Terrain and physical characteristics of the premises, and 3) Existing overhead electrical plant available for service.

Public Disclosure Document

1. Cost of providing underground service by the Cooperative

For underground residential distribution, the Cooperative will obtain a payment of contribution in aid of construction as follows:

a. Single unit residential dwellings located in subdivisions / developments and on lot sizes of two (2) acres or less, will require the "Standard" contribution in aid of construction cost, as shown in Exhibit "A", per service, plus any abandonment fee stated in Section "F" below.

b. Single unit residential dwellings located in subdivisions / developments and on lot sizes of two (2) acres or more, will require the "Standard" contribution in aid of construction cost, as shown in Exhibit "A", per service, plus any abandonment fee stated in Section "F" below.

c. Single unit residential dwellings randomly located (not within subdivisions/developments) will require the "Per Unit Residential" contribution in aid of construction cost, as shown in Exhibit "A", where such service requires the installation of service cable only (under no circumstances will the cost be less than the "Minimum" contribution in aid of construction cost, as shown in Exhibit "A"). Other forms of services, such as those which require the installation of primary cable and underground transformers, will require the "Standard" contribution in aid of construction cost, as shown in Exhibit "A", per service, plus any abandonment fee stated in Section "F" below.

d. Multi-unit residential dwellings located in subdivisions / developments will require the "Standard" contribution in aid of construction cost, as shown in Exhibit "A", for the initial meter at each service location, plus the "Multi-Unit Adder - Residential" contribution in aid of construction cost, as shown in Exhibit "A", for each additional meter plus any abandonment fee stated in Section "F" below.

e. Commercial and / or industrial facilities located in a development or on a single lot/ location will require:

1.) The single (1) phase "Commercial – Per Meter" contribution in aid of construction (CIAC) cost, as shown in Exhibit "A", as applicable, plus any abandonment fee stated in Section "F" below. This CIAC fee applies to each meter set by Sawnee EMC.

2.) The three (3) phase "Commercial – Per Transformer" contribution in aid of construction (CIAC) cost, as shown in Exhibit "A", as applicable, plus any abandonment fee stated in Section "F" below. This CIAC fee applies to each transformer set by Sawnee EMC to serve a load, regardless of transformer size or voltage.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

3.) Should single (1) phase and three (3) phase meters be co-located such that both residential and commercial exist in the same structure and off of the same three phase transformer, the combination of the applicable per meter and per transformer contribution in aid to construction (CIAC) applies and shall not exceed the value shown in Exhibit "A" per three phase transformer location.

f. The Cooperative may, at its sole discretion, elect an alternative contribution to the fees outlined herein. If so elected by the Cooperative, the requesting party will be required to pay 100% of the cost difference between the estimated costs to construct the required facilities with overhead facilities versus underground facilities plus any abandonment fee stated in Section "F" below. This contribution in aid to construction cost may be greater or less than the unit cost outlined herein.

2. Terrain and physical characteristics of the premises

a. Right-of-way easements shall be granted by the owner and/or developer which do not conflict with public right-of-way for any purpose; and the width of the easement shall not be less than ten (10) feet.

b. The selected easement route shall be clear and free from any obstructions and the surface of the terrain shall be at finish grade and shall provide adequate finished area to allow excavating equipment to operate.

c. The owner and/or developer shall be responsible for the purchase and installation of appropriately sized conduit, which shall meet the specifications of the Cooperative, to accommodate the installation of the Cooperative's cable(s) in all areas where said cable(s) will be located under pavement or asphalt.

d. The owner and/or developer shall be responsible for the cost of removal of any abnormal, as determined by the Cooperative, rock conditions encountered. This will be in addition to the contributions set forth in Exhibit "A".

e. The owner and/or developer must comply with the various federal, state, and local guidelines as they relate to land disturbances. Cooperative, and/or its agents, shall grass and straw all areas disturbed during the installation of the primary electrical facilities.

f. The Cooperative may, at its discretion, have joint-use agreements with other compatible utilities for sharing costs in excavating operations.

Public Disclosure Document

3. Existing overhead electrical plant available for service

The Cooperative may convert existing overhead distribution lines to underground when requested to do so under the following conditions:

a. Conversion from overhead to underground is practical from an engineering standpoint and when such conversion can meet the requirements of all local, state, and federal regulations.

b. The necessary right-of-way easements for the underground facilities can be reasonably obtained.

c. The party requesting the conversion agrees to be responsible for any and all costs associated with the conversion plus any abandonment fee stated in Section "F" below.

d. This contribution in aid of construction shall be equal to the original installed cost of the overhead facilities plus the cost of removal, less the salvage value of the retired materials, plus the cost of the new construction involved in the requested conversion as determined under the provisions of Paragraph II-A and may include the abandonment fee stated in Section "F" below.

e. The Cooperative reserves the right of refusal to convert any and all overhead facilities to underground that it deems would not be to the overall best interest of its member-consumers.

f. All necessary payments, documents, and other requirements must be provided prior to actual work commencing.

B. RELOCATION OF UNDERGROUND FACILITIES

When interested parties request either existing or proposed underground facilities to be relocated to where it creates an increased cost to the Cooperative, the following guidelines will apply:

1. All cost in excess of the anticipated normal cost of a request will be borne by the requesting party plus any abandonment fee stated in Section "F" below. For this section only, normal cost will be defined as that cost above what the Cooperative would have incurred should the party not have requested the relocation. The time value of future investment will be considered in a present value analysis when applicable.

2. It will be the sole responsibility of the requesting party to provide, at the requesting party's expense, all necessary easements and other items as deemed necessary by the Cooperative in order to perform the requested relocation.

Public Disclosure Document

3. The Cooperative reserves the right of refusal to relocate any and all facilities it deems would not be to the overall best interest of its member-consumers.

4. All necessary payments, documents, and other requirements must be provided prior to actual work commencing.

C. WAIVER OF CONTRIBUTION IN AID OF CONSTRUCTION COST

The Cooperative, at its discretion, may waive any contributions in aid of construction cost for new facilities when it has been determined that such underground facilities would be in the best interest of the Cooperative from a reliability, safety, and cost standpoint.

D. CONTRIBUTION IN AID OF CONSTRUCTION REVISIONS

The Cooperative will monitor the cost of providing underground electric service and at intervals of no less than annually; make appropriate adjustments in the requirements for contributions in aid of construction as deemed necessary. The authority to initiate such adjustments is expressly delegated to the President and Chief Executive Officer or his duly appointed staff member.

E. RIGHT OF REFUSAL

The Cooperative reserves the right to refuse any underground facility it deems not in the best interest of the Cooperative or its members.

F. RECOVERY OF FACILITIES THAT ARE REQUIRED TO BE ABANDONED

1. The Cooperative may, at its sole discretion, elect to recover the cost associated with any existing facilities that are to be abandoned and no longer used due to the construction of new or additional underground facilities.
2. The cost of abandoned facilities will include, but are not limited to, all un-depreciated investment associated with the abandoned facilities less any salvage value.

3. This abandonment fee described in this section will be required to be paid in addition to any installation contribution in aid to construction (CIAC) cost stated herein.

G. UNDERGROUND SERVICE TO PLUG IN ELECTRIC VEHICLE (PEV) LEVEL 3 CHARGERS

1. This policy does not apply to the act of providing underground electric service to Level 3 plug in electric vehicle (PEV) chargers.

2. As prescribed in Rate Schedule CEV, all cost associated with providing electric service to a Level 3 PEV account will be borne by the requesting party.

Public Disclosure Document

EXHIBIT "A"

TABLE OF CONTRIBUTION IN AID TO CONSTRUCTION (CIAC)

Description	Amount ($)
1.) Standard	$3,500.00
2.) Single (1) Phase Commercial - Per Meter	$3,500.00
3.) Three (3) Phase Commercial - Per Transformer	$34,675.00
4.) Per Unit Residential	$4.70 / ft.
5.) Multi-Unit Adder – Residential	$1,000.00
6.) Minimum	$470.00
7.) Co-located 1 phase and 3 phase facilities contribution in aid of construction (CIAC) maximum	$48,210.00

Public Disclosure Document

SECTION 24 – DISTRIBUTED GENERATION FACILITIES (NO. 412)

A. DEFINITIONS

The following words and terms shall have the following meanings, unless the context clearly indicates otherwise:

1. "**Authority Having Jurisdiction**" means an organization, office, or individual responsible for approving equipment, materials, or an installation for compliance to the National Electrical Code.

2. "**Battery Energy Storage System**" means an electric storage resource capable of receiving electric energy from the grid or other electric resource and storing it for later injection of electric energy back to the grid. Electric vehicle charging stations are not considered Battery Energy Storage Systems unless the interface between the vehicle battery and the grid is enabled for injecting electric energy to the grid.

3. "**Billing Period**" means the time period between the dates on which the Cooperative normally establishes as the service period for billing purposes.

4. "**Bi-directional Meter**" is a meter capable of measuring (but not necessarily displaying) electricity flow in both directions.

5. "**Bi-directional Metering**" means measuring the amount of electricity supplied by the Cooperative and the amount of electricity fed back to the Cooperative's System by the Member's Distributed Generation Facility using a Bi-directional Meter.

6. "**Customer Generator**" means a member of the Cooperative and that either 1.) is the owner and operator of a Distributed Generation Facility, 2.) is the lessee of a Distributed Generation Facility, or 3.) who has Solar Electric Generating Technology connected to the member's side of the retail service meter.

7. "**Distributed Generation Facility**" means a facility for the production of electrical energy and can include a Battery Energy Storage System that:

   a. May interconnect and operate in parallel with the Cooperative's System;

   b. Is connected to the member's side of the Cooperative's retail service meter;

   c. Distributed Generation Facilities are categorized according to the following capacity in Alternating Current ("AC") ratings of the resource:

      1) "**Small**" - means a generation resource with a capacity rating not greater than 100 kW.

Public Disclosure Document

2) "**Large**" - means a generation resource with a capacity rating of greater than 100 kW, and not greater than 10 MW.

8. "**Energy Payment**" is a term used exclusively for Customer Generators on a Net Billing arrangement. The term means Excess Net Energy multiplied by the applicable rate.

9. "**Excess Net Energy**" is a term used exclusively for Customer Generators that qualify and are approved for Net Metering. The term refers to the difference between the electricity generated by the Member's Distributed Generation Facility and the electricity supplied by the Cooperative during the Billing Period. For all Cooperative members who have a Distributed Generation Facility interconnected with the Cooperative on or ***before*** January 1, 2024, Excess Net Energy will be settled on a *monthly basis* and for all Cooperative members who have a Distributed Generation Facility interconnected with the Cooperative on or ***after*** January 2, 2024, Excess Net Energy will be settled *instantaneously*.

10. "**Member**" means a member of the Cooperative.

11. **"Net Billing**" means the difference, over the Billing Period, between the Energy Payment and the Retail Billing Amount.

12. "**Net Metering**" means the difference, over the Billing Period, between electricity supplied to a Net Metering Customer from the System and the electricity generated and fed into the System by the Net Metering Customer, which is measured using a single Bi-directional Meter.

13. "**Net Metering Customer**" means a Member receiving Net Metering service that 1) leases or 2) owns and operates a Distributed Generation Facility that:

    a. Has peak generating capacity, rated in AC, of generally not more than 10 kW for residential applications, or has peak generating capacity, rated in AC, of generally not more than 100 kW for commercial applications, or as may be allowed under the applicable Distributed Generator Interconnection Procedure document;

    b. Is located on, or near, the Member's premises;
    c. Uses a solar photovoltaic system, fuel cell, or wind turbine; and

    d. Is intended primarily to offset part, or all, of the Member's requirements for electricity.

14. "**Permission to Operate**" means written permission from the Cooperative to the Customer Generator for a specific Distributed Generation Facility to interconnect and operate in parallel with the Cooperative's System.

Public Disclosure Document

15. **"Qualifying Facility" or "QF" –** means a generating facility which meets the requirements set forth in Federal Energy Regulatory Rules promulgated under Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA). In general, a QF may be a cogeneration facility or a small power production facility. A cogeneration facility is a generating facility that sequentially produces electricity and another form of thermal energy. A small power production facility is 80 MW or less with its primary energy source biomass, renewable resources, geothermal resources, or any combination thereof.

16. "**Renewable Energy Credits**" or "**RECs**" **–** means a renewable energy credit as defined in the Green-e Energy National Standard and shall include all the renewable attributes associated with the applicable level of corresponding energy production.

17. "**Retail Billing Amount**" means the dollar amount calculated by applying the electricity supplied to a Customer Generator from the System under the applicable retail rate of the Cooperative, plus all other applicable charges under the applicable retail rate schedule.

18. "**Solar Electric Generating Technology**" is a system that generates electric energy that is fueled solely by ambient sunlight and installed upon the property owned or occupied by the Member of the Cooperative.

B. INTERCONNECTION REQUIREMENTS

1. A prospective Customer Generator, that intends to install a Distributed Generation Facility, must complete all the requirements outlined in the applicable Distributed Generator Interconnection Procedure document prior to interconnecting.

C. CONDITIONS FOR INTERCONNECTION

1. The Cooperative shall issue Permission to Operate to a prospective Customer Generator authorizing operation of its Distributed Generation Facility on an interconnected basis when:

   a. All conditions outlined in the applicable Distributed Generator Interconnection Procedure document have been satisfied.

   b. Upon the Cooperative's receipt of a copy of the inspection certificate issued by the Authority Having Jurisdiction. If no Authority Having Jurisdiction exists at the Customer Generator Distributed Generation Facility site, the Customer Generator shall provide an inspection report by a professional engineer or qualified licensed electrician.

   c. If required, the Member has executed a written Distributed Generation Facility Interconnection Agreement with the Cooperative and is in compliance with all requirements set forth therein.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

2. In addition to complying with the Distributed Generator Interconnection Procedures, a Distributed Generation Facility shall comply with the following operating conditions:

   a. Interconnection Protection Requirements. A readily accessible, lockable, visible-break isolation device shall be required. The location of the switch shall be subject to approval by the Cooperative. Customer Generator must not energize any portion of the Cooperative's System that is de-energized unless specifically authorized to do so by appropriate authorities of the Cooperative. The Customer Generator shall provide protection to prevent unintentional backfeeding of the Cooperative's System. This protection may require a communication link between the Distributed Generation Facility and the Cooperative's System. Direct transfer trips may be required to prevent unintentional islands, and to clear System faults that may not be detectable by the Distributed Generation Facility Interconnection protection scheme.

   b. Generator Interface Transformer. The generator interface transformer is intended to provide isolation of the Customer Generator's generating equipment from the Cooperative's System. Interface transformer specifications shall be determined by the Cooperative and ownership of said transformer shall be at the Cooperative's option.

   c. Certification of Protection Schemes. Inverters marked as meeting UL 1741 shall be considered certified for interconnection. The Cooperative's Systems that use Smart Inverters meeting UL 1741SA shall provide a certified test report or certification letter from a professional engineer or certified electrician that the programmed settings meet the required by Cooperative. Non-inverters based on inverters not meeting UL 1741 or UL 1741SA shall be certified by a professional engineer.

   d. Safety.

      i) Operation of a Distributed Generation Facility shall not present a safety hazard to the Cooperative employees or other members connected to the Cooperative's System or the public at large.

      ii) The Customer Generator shall be responsible for the design, installation and maintenance of all equipment and facilities installed or that will be installed on the Customer Generator's side of the Point of Common Coupling. It is the sole responsibility of the Customer Generator to obtain all necessary permits and inspections required by city or county inspectors regarding the installation of the Distributed Generation Facility. Further, the Distributed Generation Facility must operate in compliance with all applicable federal, state and county / city laws and regulations.

Public Disclosure Document

iii) Cooperative may temporarily open and lock the disconnect switch at the Distributed Generation Facility for reasons relating to the overall reliability and safe operations of the Cooperative's distribution system, including but not limited to emergencies, hazardous conditions, ordinary maintenance and/or repair of the System, failure of components of the System, or following the tampering of the Cooperative's equipment.

e. Operating Limits. Operation of the Distributed Generation Facility shall not compromise the quality of electric service to other members of the Cooperative's System. The Customer Generator's parallel generating equipment shall meet the following minimum requirements:

i) Voltage. The Distributed Generation Facility shall be capable of operating within Range A of ANSI Standard C84.1. For nominal 120-volt service, this Range A is a voltage level of 114 volts to 126 volts.

ii) Power Factor. The Distributed Generation Facility will operate at the unity power factor except by written permission from the Cooperative.

iii) Interrupting for Faults. For faults on the System, the Distributed Generation Facility shall cease to energize and trip.

iv) Abnormal Voltage and Frequency. When voltage or frequency is out of the range of nominal as defined by IEEE 1547 for Category I systems, the Distributed Generation Facility shall cease to energize the Cooperative's System.

v) Return to Service. Distributed Generation Facility shall not energize the Point of Common Coupling when the Cooperative's System is de-energized. The Distributed Generation Facility may return to normal after a required time delay of 300 seconds after the Cooperative's System is re-energized.

vi) Power Quality. Harmonic current distortion shall be limited to meet the requirements of IEEE 1547. Overvoltage contribution shall be limited to meet the requirements of IEEE 1547.

vii) Rapid Voltage Changes. The Customer Generator shall not cause the Distributed Generation Facility to step or ramp change in system voltage at the Point of Common Coupling exceeding 3% of nominal for 12 kV and 25 kV interconnections and 5% of nominal at low voltage interconnections.

Public Disclosure Document

viii) Synchronization. It is the Customer Generator's responsibility to provide proper synchronizing of its parallel generating equipment. The Cooperative assumes no liability for any Customer Generator Distributed Generator Facility. The Customer Generator shall operate its equipment at its own risk.

D. TEMPORARY DISCONNECTION

1. The Cooperative may disconnect the Distributed Generation Facility from the Cooperative's System for reasons relating to the overall reliability and safe operations of the System, including but not limited to emergencies, hazardous conditions, ordinary maintenance and / or repair of the Cooperative's System, failure of components of the Cooperative's System or following the tampering of the Cooperative's equipment.

E. OBLIGATIONS TO PURCHASE ENERGY

1. The Cooperative may purchase energy from the Customer Generator under any of the following types of arrangements; 1) Net Metering, 2) Net Billing, or 3) Purchase Power Agreement ("PPA") and this will be determined solely by the Cooperative in accordance with prevailing law and/or the policies of the Cooperative.

2. Unless a Distributed Generation Facility meets the requirements for Net Metering and is approved for Net Metering by the Cooperative, the Cooperative is not obligated to purchase any Excess Net Energy produced by the Distributed Generation Facility but may do so if such purchase is in the best interest of the Cooperative.

3. Any purchases by the Cooperative from a Customer Generator that has formal status as a QF shall be in accordance with the provisions of the Cooperative's Qualifying Facilities Rate For Power Purchase retail rate (Schedule "QFPP"). These purchases are in the form of Net Billing.

4. Unless otherwise agreed to in writing, authorized and executed by the parties, the Cooperative shall not purchase energy from an eligible Customer Generator under the Net Metering service arrangements, described herein, if doing so will cause the total rated generating AC capacity of all Distributed Generation Facilities interconnected to the Cooperative's System to exceed 0.2% of the Cooperative's annual peak demand for the previous calendar year.

5. For Customer Generators that are not subject to either 1) Net Metering, or 2) Net Billing as described above: any purchases of Net Excess Energy delivered onto the Cooperative's System will be conducted pursuant to a negotiated PPA.

Public Disclosure Document

F. METERING

1. Distributed Generation Facilities with Net Metering

   a. The Cooperative will use Bi-directional Metering for the Distributed Generation Facilities interconnected on the Net Metering Customer's side of the retail service meter.

2. Distributed Generation Facilities without Net Metering

   a. For Distributed Generation Facilities interconnected with more than 10 kW for residential and over 100 kW up to 10 MW for commercial, the Cooperative may elect to install one or more Bi-directional Meters or single direction meters.

G. ENERGY PURCHASES

All service rules, regulations and restrictions outlined under the Cooperative's service rules and regulations, rate schedules for the purchase of electricity and sale of Excess Net Energy and other requirements will apply, in addition to the following provisions.

1. Net Metering

   a. When Excess Net Energy is generated by the Net Metering Customer's Distributed Generation Facility during the Billing Period, the Net Metering Customer shall receive a credit for the Excess Net Energy pursuant to the Cooperative's applicable net energy metering rider ("NEM").

   b. The Net Metering Customer shall be charged for all other applicable costs under the then applicable retail rate schedule that would otherwise be applicable if the Member was not a Net Metering Member.

2. Net Billing

   a. When the Energy Payment exceeds the Retail Billing Amount during the Billing Period, the Customer Generator shall receive a credit to the Member's account for the next month's Billing Period consistent with the appropriate retail rate schedule.

   b If the Retail Billing Amount exceeds the Energy Payment, then the Customer Generator shall be billed for the difference in accordance with the Cooperative's billing practices.

Public Disclosure Document

3. Purchase Power Agreement

   a. When applicable, all Excess Net Energy generated by the Member's Distributed Generation Facility and delivered onto the System shall be purchased at the applicable mutually agreed to rate.

H. CHARGES FOR INTERCONNECTION AND NET METERING

1. The Customer Generator shall be responsible for all costs of installing, operating, and maintaining protective equipment and/or electrical facilities required to interconnect with the Cooperative's System.

2. The Customer Generator shall be charged for the direct and indirect costs incurred by the Cooperative as a result of the interconnection.

3. Said charges will be determined in accordance with the Cooperative's Distributed Generator Interconnection Procedure document.

I. NOTICE OF ADDITIONAL SAFETY, POWER QUALITY, AND INTERCONNECTION REQUIREMENTS

1. The Distributed Generation Facility shall include, at the Customer Generator's sole expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements as stated in the applicable Distributed Generator Interconnection Procedure.

2. The Cooperative may adopt additional safety, power quality, and interconnection requirements in support of prudent utility practices at the Cooperative's sole discretion.

J. RENEWABLE ENERGY CREDITS

1. The Cooperative shall retain ownership of any and all RECs produced by the Distributed Generation Facility, associated with Excess Net Energy purchased by the Cooperative through its Energy Payment under the applicable retail rate, unless there are specific provisions in the Interconnection Agreement with the Cooperative for their sale and/or purchase.

2. The Cooperative shall be responsible for the measurement, verification, and all record-keeping associated with the RECs it purchases through its Energy Payment of Excess Net Energy under the applicable retail rate.

3. The Net Metering Customer shall be responsible for the measurement, verification, and all record-keeping associated with the production of RECs consumed or used.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

4. The Net Metering Member is responsible for obtaining certification from the Center for Resource Solution's Green-e Energy program to demonstrate that RECs were produced and exist, if required by the Cooperative

5. The Net Metering Customer agrees that the Cooperative shall, for all Excess Net Energy purchased by the Cooperative through its Energy Payment under Rate Schedule NEM, also receive the RECs associated with said Excess Net Energy.

K. ENFORCEMENT

1. Violation of any provision of this Policy, applicable Distributed Generator Interconnection Procedures, or any Interconnection or other Agreement between the Cooperative and the Customer Generator, or the determination by the Cooperative that any Distributed Generation Facility is causing an unreasonable, adverse impact upon safety, electric distribution system reliability or power quality, may result in any action appropriate to address the issue, including, without limitation, disconnection of the Distributed Generator Facility from the System and termination of electric service.

2. Action to terminate service of a Member under this provision by the President and Chief Executive Officer ("CEO") or his/her designee shall be reported to the Board of Directors as soon as practical.

SECTION 25 – ACCESS TO COOPERATIVE PROPERTY (NO. 413)

A. GENERAL

1. Cooperative Personnel shall have the right of access and ingress and egress to a Member's premises and the Cooperative's various rights-of-way at all times for the purpose of, including but not limited to, cutting right of way, reading meters, testing, repairing, removing, maintaining, installing, inspecting or exchanging any and all of the Cooperative's Property which at all times shall remain the sole and exclusive property of the Cooperative. The Cooperative will strive to take these actions at a reasonable time of the day.

2. Further, no person shall tamper with or in any way prohibit the safe and accurate operation of Cooperative property.

3. On occasion, the Cooperative incurs Access Denial when attempting to perform the tasks listed above. The following guidelines shall apply when Access Denial occurs.

Public Disclosure Document

B. GUIDELINES

1. The following guidelines shall address two (2) basic categories. First, when Access Denial affects service only to the premises of the member denying access; and secondly, when Access Denial affects the Cooperative's service to parties other than the party denying access.

   a. Access Denial affecting only service to premises of party denying access.

      1) Following Access Denial, the Cooperative may, at its sole discretion, terminate service to the premises / location of the Member creating Access Denial and, as directed by the Cooperative's President and Chief Executive Officer ("CEO") or his designee, remove all Cooperative Property from the property to which it is denied access.

      2) The membership of a Member denying access shall be suspended and, unless access is re-established as provided for in this policy, the membership will be subsequently terminated, as provided for in Article II, Membership Suspension and Termination, Section 2.02 Termination By Expulsion: Renewed Membership; Immediate Disconnection of Service and Expulsion, of the Cooperative's bylaws ("Bylaws").

      3) A Member may have his suspended membership and electric service restored as provided for in Article II, Section 2.02, of the Bylaws by undertaking the following actions:

         a) Executing a new application for service;

         b) Paying any contribution-in-aid-of-construction ("CIAC") or other costs, including without limitation, associated overheads incurred by the Cooperative in retiring and reinstalling, repositioning or otherwise replacing the Cooperative Property and facilities necessary to serve the Member's premises;

         c) Executing an easement in form and substance acceptable to the Cooperative which shall, among other terms, provide for safe, reasonable and continuing access to the Cooperative Property as provided in this policy and as is necessary to safely and efficiently operate the Cooperative's Property and facilities;

         d) Satisfying such other reasonable terms and conditions as the Cooperative may determine.

Public Disclosure Document

b. Access Denial that affects service to parties other than the Member denying access.

1) The foregoing provisions in paragraph "a" above shall apply except that the Cooperative shall use its reasonable best efforts to continue service to Members other than the Member denying access.

SECTION 26 – METER ACCESS (NO. 414)

A. GENERAL

The Cooperative, its contractors and its agents have the right, at all hours of the day, to access a Member's premises for the purpose of installing, reading, inspecting, replacing, maintaining or making any and all necessary adjustments to the Cooperative's electric energy meters and associated equipment. The Cooperative will strive to take these actions at a reasonable time of the day and with reasonable notice to the Member.

1. The Cooperative, its contractors and its agents will provide the Member with identification upon request to assure the Member that the requesting party has the authority and approval to be on site and perform the service required.

2. Failure to allow the installation and operation of a Cooperative specified energy meter and associated equipment at a Member's premises may result in the Member bearing all of the cost associated with any restrictions placed on this site by the Member.

B. METER LOCATIONS

1. All meter locations shall conform to the National Electric Safety Code ("NESC"), National Electric Code ("NEC"), State and local guidelines as well as guidelines established by the Cooperative and its lenders. Any violation of these standards may result in suspension or denial of service as well as the incurring of additional costs by that Member.

2. All meter and metering equipment locations must be approved in advance by the Staff.

3. Locations must be free of permanent or temporary obstructions within or around a meter of the Cooperative at a minimum of forty-eight (48) inches in all directions. These obstructions include, but are not limited to, trees, bushes, walls, or other items that would obstruct the view of the face / front of the meter or prevent reasonable access to the meter, or prevent the safe and reliable operation of the installed equipment. The Staff, the Cooperative's contractors, and its agents, must be able to clearly and safely access the information presented on the meter as well as the information transmitted by the meter.

Public Disclosure Document

4. Potentially dangerous animals shall be placed in a safe and secure area away from the meters and associated equipment when the meter is to be accessed. These animals shall be kept at bay at all times while the Staff, the Cooperative's contractors, or its agents are performing tasks at meters and associated equipment locations.

5. Gates and doors that are normally locked and would prevent ready access to the meter location should be left unlocked during the known general time of a meter activity or other known event. When it is not practical to do so, a key or access code should be provided to the Cooperative. If a key to a lock cannot be provided, the Cooperative reserves the right to place one of the Cooperative's locks at the site to allow access.

6. If the meter is located in a hazardous location, reasonable care should be taken by the Member to protect the safety of the Staff, the Cooperative's contractors, and/or its agents.

7. The Member has an obligation and duty to advise the Cooperative of any hazardous items or conditions in or near the vicinity of the electric meter and/or associated equipment.

8. Certain meters in the Cooperative's meter fleet use radio signals to communicate information and such signals shall not be interfered with in any way. No object shall be placed over or around a meter, which could distort the information or reception of this device.

C. NON-ACCESS LOCATIONS

1. The Cooperative will assess each meter location and determine its overall accessibility and operation characteristics.

2. All cost associated with activities for the Staff, the Cooperative's contractors, or its agents to physically read and/or inspect an inaccessible or inoperable meter to accurately bill the Member will be borne by the Member.

3. Maintenance and other inspections of a meter and its associated equipment can occur at any time and the Cooperative will strive to take these actions at a reasonable time of the day and with reasonable notice to the Member.

4. Whenever it is determined that the location of a meter should be changed, in any way, to improve the accessibility and operability of the meter in question, such modifications may be made at the Member's expense.

D. METER ESTIMATIONS

1. Meters that can not be read for any reason will be estimated by the Staff.

Public Disclosure Document

E. FEES

1. If a visit to the location of a meter is required to obtain a meter reading or an estimation of a monthly meter reading is required because of 1) no access, or 2) due to the desire of the Member not to have a standard meter installed at this location, then the Member will be charged a monthly service fee for each such trip / visit as outlined in Policy 302, Service Fees.

F. OTHER

1. Meters with remote read capabilities will generally be inspected on a three (3) year basis and more frequent basis as may be required by the Cooperative's lender, NESC, NEC or other governing authorities.

2. In no way does the processes outlined herein diminish or serve as a waiver of the Cooperative's rights to install, operate, maintain, replace or in any way modify all or portions of its distribution plant.

SECTION 27 – IDENTITY THEFT PREVENTION (NO. 415)

A. DEFINITIONS

1. **"Consumer Report"** is defined as any written, oral, or other communication of any information by a consumer reporting agency bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which will be used at least partly to determine the member's eligibility to receive and pay for services.

2. **"Consumer Reporting Agency"** (CRA) is defined as any person or organization which regularly engages in assembling or evaluating consumer credit information or other consumer information for the purpose of furnishing consumer reports to third parties. For example, Equifax is a CRA.

3. **"Covered Account"** means a utility account primarily for personal, family or household purposes.

4. **"Identity Theft"** means fraudulent acts or activities that are committed or attempted using the identifying information of another person (or entity) without authorization.

5. "**Identifying Information**" means information that could reasonably be used to identify an individual and includes, but is not limited to, those items set forth in Section II.B.1.b.

Public Disclosure Document

6. **"Red Flags"** means patterns, practices, or specific activities which, taken together or alone, indicate the possible occurrence of identity theft, including, without limitation, the following:

   a. Alerts, notifications, or other warnings received from CRAs or other service providers, including fraud detection services (*e.g.*, fraud or active duty alert; credit freeze notice; address discrepancy notice informing of a substantial difference between the address provided by the consumer and the address on file with the CRA or an inconsistent pattern of activity based on history and pattern of activity, such as a recent and significant increase in volume of inquiries, an unusual number of recently established credit relationships, a material change in the use of credit or an account that was closed for cause or abuse);

   b. The presentation of suspicious documents, including those which appear to be altered or forged, display an inconsistent physical description or depiction, or contain inconsistencies in light of the circumstances surrounding the account;

   c. The presentation of suspicious personal identifying information, such as an un-issued Social Security Number, suspicious address change, invalid phone number, other inconsistencies or association with known fraudulent activity;

   d. The unusual use of, or other suspicious activity related to, a Covered Account, such as non-typical activity in bill payment or repeated returned mail; and

   e. Notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with Covered Accounts held by the Corporation.

B. DUTIES TO DETECT, PREVENT AND MITIGATE

1. General

   a. All employees who have access to information in a Covered Account shall be trained to detect and respond to Red Flags.

   b. Means of identity verification shall include:

      i. the applicant's full name;
      ii. full and/or last four (4) of the SSN (Social Security Number)
      iii. mailing address;
      iv. street address;
      v. phone number;
      vi. photo identification;
      vii. passwords (whether assigned by the Corporation or user-defined)

Public Disclosure Document

viii. for an individual, date of birth;
ix. for a U.S. person, a taxpayer identification number;
x. for a non-U.S. person, one or more of the following:
1. a taxpayer identification number;
2. a passport number and country of issuance;
3. alien identification card number; or
4. number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

xi. unique biometric data such as fingerprint, voiceprint, retina or iris image, facial recognition, or other unique physical representation.

2. New Accounts

a. When opening a new Covered Account and performing other functions regarding a Covered Account, including but not limited to address and billing changes, the identity of the applicant or member shall be verified to the extent reasonable and practicable under the circumstances.

b. The Cooperative should not open a new account if there is a fraud or active-duty alert for the applicant or member unless the Cooperative gathers additional information sufficient to be reasonably confident of the identity of the applicant or member making the request.

c. If one or more Red Flags are detected during the application process, while servicing an account, or otherwise, the Cooperative staff member shall notify their supervisor and the Director of Customer Service or the Vice President of Office Services.

3. Existing Accounts

a. When servicing existing Covered Accounts, such as processing change of address requests, the staff shall authenticate the identity of the member as well as verify the change of address or other information on the account.

b. The Cooperative should not make material changes to an existing account if there is a fraud or active-duty alert for the member unless the Cooperative gathers additional information sufficient to be reasonably confident of the identity of the member making the request.

c. If one or more Red Flags are detected while servicing an account, or otherwise, the staff member shall notify their supervisor and the Director of Customer Service or the Vice President of Office Services.

Public Disclosure Document

d. The Cooperative will place an "alert" on a member's account(s) which is to be monitored so any reviewer (e.g., CSR) servicing the account can be aware of the previous red flags or other concerns.

4. Supervisor Actions

a. Employees of the Cooperative who are notified of a Red Flag shall evaluate the degree of risk posed by the particular Red Flag(s).

b. In determining an appropriate response, any aggravating factors, such as additional known Red Flags, or other factors which may increase the likelihood or risk of identity theft, should be considered.

c. Appropriate responses to a Red Flag may include the following:

i. Monitoring the Covered Account for evidence of identity theft. The Cooperative will place an "alert" on an account(s) in such a manner so as to make it known to the CSR or other employee(s) reviewing this account of any previous Red Flag concerns.
ii. Contacting the member,
iii. Changing any passwords, security codes or other security devices which permit access to the Covered Account,
iv. Reopening the Covered Account with a new account number,
v. Not opening a new account,
vi. Closing an existing Covered Account,
vii. Not attempting to collect on a Covered Account or not referring a Covered Account to a debt collector,
viii. Notifying law enforcement, or
ix. Determining no response is warranted under the particular circumstances.

5. Record Management

a. The Cooperative shall maintain electronic records of the information used to verify the applicant's identity, including name, address, and other Identifying Information as applicable and used by the Cooperative to verify a person's identity.

b. The Cooperative's Corporate Information Officer (CIO), or his / her designee, shall take appropriate and effective steps to ensure that record management activities are conducted according to reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

c. If a governmental agency provides the Cooperative with a list of known or suspected terrorists, the Cooperative shall consult such list to determine whether the applicant appears on such list.

Public Disclosure Document

C. SERVICE PROVIDERS

1. If the Cooperative engages a service provider to perform an activity in connection with one or more Covered Accounts, the Cooperative's CIO, or his / her designee, shall take appropriate and effective steps to oversee that the activity is conducted according to reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

2. Where appropriate, the Cooperative shall require by contract, service providers to have policies and procedures to detect relevant Red Flags which may arise during performance of the services, and to either report the occurrence of the Red Flags to the Corporation or to take appropriate steps to prevent or mitigate identity theft.

D. SOCIAL SECURITY NUMBERS

1. The Cooperative shall not require applicants or members to transmit a Social Security Number via the Internet unless the transmission is secure or encrypted.

2. The Cooperative shall not require applicants or members to use a Social Security Number to access its website unless coupled with a Personal Identification Number or other method of identification.

3. The Cooperative may require a Social Security Number to establish or terminate an account, to contract for services, or to confirm the accuracy of a Social Security Number on file.

4. The Cooperative may use Social Security Numbers for internal administrative or verification purposes.

E. USE OF REPORTS

1. Consumer Reports shall be used only in connection with the extension of credit, the extension of or provision of services to a member, to review an account to determine if the member meets the terms of the account and for such other legitimate corporate purposes as may be approved by the CEO.

2. If the Cooperative takes an adverse action based on a Consumer Report, then the Corporation shall provide written notice either via U.S. Mail or electronic notice (e.g., email) to the applicant or member, which shall include:

   a. Notice of the adverse action.

   b The name, address, and toll-free telephone number of the CRA who provided such report.

Public Disclosure Document

c. A statement the CRA did not make the decision to take adverse action and is unable to provide the consumer with specific reasons why the action was taken; and notice of the consumer's right to obtain a free copy of such report from the CRA within 60 days and to dispute the accuracy or completeness of such report, as required by applicable federal Consumer Credit Protection laws (15 U.S.C.A. §§ 1681m and 1681j).

3. Statement of Nondiscrimination

It is the continuing policy of the Cooperative to treat all potential and existing members equally, regardless of their race, creed, color, age, sex, gender, national origin, religion, disability, medical condition, marital status, veteran status, or any other status protected by law. No person shall be denied services or be subjected to discrimination in any manner on the basis of these factors.

4. Notice of Address Discrepancy

a. If the Cooperative receives a notice of address discrepancy from a CRA, the Cooperative must reasonably confirm the identity and address of the applicant.

b. The employee receiving the notice of address discrepancy shall report the notice to their supervisor and the Director of Customer Service or the Vice President of Office Services.

c. Employees who are notified of the notice of address discrepancy shall take reasonable steps to verify the identity of the applicant by verifying the information provided by the CRA with the member or comparing other information maintained by the Corporation about the member (*e.g.*, change of address notification, account records, service application, etc.).

d. If the Cooperative obtains adequate confirmation to form a reasonable belief that the applicant is the same person listed in the notice of address discrepancy (Consumer Report), then the Cooperative shall document how it resolved the address discrepancy and may proceed to open the account or take the requested action.

e. If the Cooperative is unable to form such a reasonable belief regarding the identity of the applicant, then the Cooperative shall respond appropriately under the circumstances, such as not opening an account for the applicant, closing an existing account, or taking other actions as determined appropriate based on the circumstances.

Public Disclosure Document

F. FURNISHING INFORMATION

1. When furnishing information to a CRA, the Cooperative shall: report accurate information; correct and update incomplete or inaccurate information; report accounts closed voluntarily by the member; and report delinquent accounts that have been placed for collection, charged to profit or loss or subject to a similar action.

2. The Cooperative shall not furnish information to a CRA if it has reasonable cause to believe such information is inaccurate.

G. UPDATE AND COMPLIANCE REPORTS

1. The Identity Theft Prevention Program and the defined Red Flags should be reviewed and updated periodically based upon the following:

   a. Experiences of the Corporation with identity theft,
   b. Changes in methods of identity theft,
   c. Changes in methods to detect, prevent, and mitigate identity theft,
   d. Changes in the types of accounts that the Corporation offers or maintains, and
   e. Changes in the Cooperative's business arrangements which would impact the Identity Theft Prevention Program, such as service provider arrangements.

2. Staff responsible for implementation of the Identity Theft Prevention Program shall provide compliance reports at least annually to the President and CEO ("CEO") regarding the Cooperative's compliance with applicable law.

3. The CEO shall review the compliance reports and take appropriate action, if required.

4. Compliance reports should address material matters related to the Identity Theft Prevention Program and evaluate issues such as:

   a. the effectiveness of the Cooperative's policies and procedures,
   b. service provider arrangements,
   c. significant incidents involving identity theft and management's response, and
   d. recommendations for material changes to the Identity Theft Prevention Program.

SECTION 28 – CRANE AND DERRICK SUPPORT NEAR OH LINES (NO. 418)

A. In all cases within this policy, the "Requesting Party" will be defined as the party or parties requesting information or requesting specific actions by the Cooperative, as prescribed under the OSHA Standard.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

B. The Cooperative will, as more fully defined herein, strive to meet the letter and spirit of the OSHA Standard as it relates to Sub Part 1926.1407 to 1926.1410.

C. Also, the Cooperative has by this policy, established the manner and method that the Staff is to handle and address the various requirements of the OSHA Standard as it relates to the duties and responsibilities of an owner / operator of power lines and related facilities and as more fully defined in Sections 1926.1407 to 1926.1410 of the OSHA Standard.

D. Therefore, the Staff is hereby authorized and empowered to undertake the following actions and charge the following fees as specified below:

1. Providing of Voltage Levels of the Cooperative's Facilities – Relative to this aspect of the OSHA Standard, the Staff is hereby instructed to provide this information, in written or verbal form, at no cost ($0) to the Requesting Party.

2. Participation in Planning Committees – Relative to this aspect of the OSHA Standard, the Staff is hereby instructed that they will provide the Requesting Party with a good faith estimate of the cost for the Cooperative to participate in said Planning Committee. An estimate shall be provided in advance of any meeting(s) and the Cooperative shall receive approval and assurances from the Requesting Party that such costs are acceptable and approved. This cost shall include direct (e.g. salary) and indirect costs (e.g. overhead, benefits and transportation expense), associated with the Cooperative's participation.

3. De-energize and Grounding of the Cooperative's Facilities - Relative to this aspect of the OSHA Standard and given the nature of the Cooperative and the design of the Cooperative's distribution facilities, the Staff is hereby instructed, generally, not to de-energize or ground a distribution line of the Cooperative. In those rare cases where the Staff feels that it can reasonably do so without impacting the level of electrical service that it provides to its member-owners, they are to provide the Requesting Party with a good faith estimate of the cost for the Cooperative to de-energize and ground certain facilities of the Cooperative. An estimate shall be provided in advance of any facilities being de-energized and the Cooperative shall receive approval and assurances from the Requesting Party that such costs are acceptable and approved. This cost shall include direct (e.g. salary) and indirect costs (e.g. overhead, benefits and transportation expense), associated with the Cooperative's participation.

4. Relocation of the Cooperative's Facilities – All relocation requests received by the Staff from Requesting Parties, will be handled as prescribed by the applicable Cooperative policy, including but not limited to such policies as Policy 402, Area Coverage/ Extension of Service / Relocation of Service and Policy 409, Underground Electric Service.

5. Other Services - All requests from a Requesting Party in compliance with the OSHA Standards will be evaluated and considered as prescribed herein or as may be more accurately defined in another Cooperative policy. Any service not specifically defined

Public Disclosure Document

herein will be evaluated and considered by the President and Chief Executive Officer ("CEO") and he / she will determine if a charge is applicable.

6. The Staff may seek a waiver, in part or in total, of the costs outlined above, from the CEO, or his designee, that when in their sole opinion, such requests on behalf of the Requesting Party, has merit and is in the overall best interest of the Cooperative.

7. Notwithstanding the provisions included in this policy, the Cooperative shall comply with the Georgia Utility Facility Protection Act ("GUFPA").

8. This policy will be reviewed no less than every three (3) years for possible revisions and/or reconsideration or when a change in the OSHA Standard occurs.

SECTION 29 – MEDICAL CONDITION (NO. 419)

A. GENERAL

The following actions are to be followed when a Cooperative member ("Member") notifies the Cooperative that the Cooperative's electric service to a Member's premise should not be turned off because they, or someone living in the household, has a medical condition which requires electrical service for the operation of medical equipment to prevent a life-threatening situation from occurring.

B. ACTIONS

Members should take the following actions when the risk of service termination for non-payment exists, and the use of medically necessary equipment is required to prevent a life-threatening situation:

1. Members must have "a medical letter noting the need" from the attending physician on file (See Exhibit "A" attached) with the Cooperative.

2. The Member's life-threatening condition and the medical equipment which operates on electricity, as well as the probable duration of the Member's life-threatening condition which necessitates the use of such medical equipment, must be attested to by the member's attending physician.

3. Members will provide the attending doctor's name and fax number or email address for the certification form, which will be provided to the Cooperative directly from the doctor's office. The Staff will not provide the certification form to the Member for their completion.

Public Disclosure Document

4. The certification form must be delivered by reasonable means (e.g., U.S. Mail, faxed or emailed) directly to the Cooperative from the attending doctor's office within five (5) business days from the date the certification form is sent to the attending doctor's office.

C. Upon receipt of the certification form from the attending doctor's office, the Member's electricity will remain on, and the Cooperative will make a payment arrangement to allow the Member adequate time for the Member to pay all past due balances and become current, relative to balances due.

D. This policy only applies to established Members.

E. In the event the Member fails to make payments on the agreed upon payment schedule, the Staff will provide written notification via certified U.S. mail, regular U.S. mail, or personal service (e.g. hand delivery or posting at the service location) to the Member giving them five (5) business days' notice of the Cooperative's intent to terminate the Member's electric service.

F. Each certification form received by the Staff will be valid for the lesser of:

1. the length of such medical condition, or
2. one (1) month from the date of the certification form.

G. Upon expiration of the medical condition stated in the medical letter, the Member may file a second (2^{nd}) certification form, which will renew the postponement period.

H. A maximum of two (2) certification letters will be allowed per Member and once this number has been reached, no further renewals of the postponement period will be allowed until the Member's account is paid in full and considered "current".

I. If the Member presently has a Medical Priority Service Code, the Cooperative will generally attempt to contact and inform them of this policy prior to disconnection for nonpayment.

SECTION 30 – PREPAID METERING PROGRAM (NO. 420)

A. GENERAL

1. The Program, as defined herein, is voluntary and a participating member ("Participant") must request to participate in the Program by executing the supplemental contract ("Prepaid Metering Program Terms and Conditions", Exhibit 1 attached hereto).

2. The Cooperative, at its sole discretion, may elect not to accept a member into the Program.

Public Disclosure Document

3. The Cooperative, at its sole discretion, may elect to remove a Participant from the Program for any reason, including but not limited to a Participant not adhering to the requirements as stated herein, or as may be amended.

4. The Cooperative may remove a Participant from the Program for not adhering to the requirements as stated herein, or as may be amended.

5. Certain monthly values applicable to a Participant's account(s) may be converted to "daily values" under the Program.

B. REQUIREMENTS

1. Participants in this Program are responsible for all aspects of the administration of their account under the Program.

2. Participants are strongly encouraged to subscribe to the Cooperative's online bill payment portal.

3. The Program is limited to the Cooperative's single phase and three phase (equal to or less than 200-amp service) residential type accounts which qualify to receive service under the Cooperative's Retail Rate Schedule "H", Residential Service.

4. Certain limitations and exceptions apply, including but not limited to those outlined below.

C. LIMITATIONS AND EXCEPTIONS

1. This Program is limited to:

   a. Single phase and three phase (equal to or less than 200-amp service) residential type services applicable under the Cooperative's Retail Rate Schedule "H" and/or locations which qualify for and receive service under this rate schedule; and

   b. Eligible members who agree to abide by the service rules and regulations of the Program, as they may exist from time to time and as amended and defined herein.

2. Members are not eligible for the Program if:

   a. The member, or a resident within the same premises, has a medical condition requiring electric service to prevent the occurrence of a life-threatening medical emergency.

   b. Non-residential service (e.g., must be either house, apartment, condo, townhome, trailer or similar).

Public Disclosure Document

D. COOPERATIVE PROGRAMS WHICH DO NOT APPLY TO THE PREPAID METERING PROGRAM

1. The Cooperative's Budget Billing program, as defined in Policy 310, Residential Budget Billing Plan, is not available under this Program.

2. The Sawnee Foundation program known as "Operation RoundUp" is not available under this Program.

3. Members enrolled in this Program do not have the ability to make payment arrangements as provided for under the Cooperative's Policy 403, Payments, Disconnection for Non-Pay and Arrangements.

4. The Cooperative's Net Energy Metering Rider (NEM) is not available for use under this Program.

5. The Cooperative's Bank Draft and Credit Card draft programs are not available under this Program.

6. The following fees listed under Policy 302, Service Fees, shall not apply to Participants in this Program:

   a. Late Payment Fee as found in Content, "II", Type of Service, "A", Late Payment, "5", Residential, "a"; and

   b. Service Reconnection Fee as found in Content, "II", Type of Service, "A", Service Reconnection, "3", Paragraph "a"

E. RETAIL RATE SCHEDULE

1. Participants in the Program will be billed by the Cooperative for all costs and electric energy used while in this Program, under the Cooperative's Retail Rate Schedule "H" (Residential Service), as it exists or may be amended by the Board of Directors.

2. Certain cost(s) for this rate may be converted to a "daily value" and assessed daily.

F. DAILY ENERGY READING

1. The Program will use, whenever possible, actual data, and in some cases estimated data, relating to daily energy readings derived from the data contained in, or received from, the Participant's watt-hour meter located at the Participant's service location or in the case of an estimate, as may be developed by the staff of the Cooperative.

Public Disclosure Document

2. Missed or missing daily energy usage readings may be "estimated" should the actual meter reading not be received in a timely manner or is otherwise unavailable.

3. Should the Cooperative, for whatever reason, not be able to obtain an actual daily meter reading for an extended period of time, it may elect to collect an actual meter reading and once collected, may make such adjustments (debit or credit) as may be necessary to the billed energy and amount owed by the Participant to reflect the actual amount of energy used under the Program.

G. BILLING

1. Paper bill forms and/or paper billing statements will not be provided under the Program via U.S. Mail or otherwise.

2. Information about payments, bill amounts and/or account balances will be available through the Cooperative's payment portals and/or other remote access channels.

H. PAYMENTS

1. Members must make an initial prepayment for electric service of a minimum of forty dollars ($40), plus the applicable fees specified in Policy 302, Service Fees, as well as any other applicable fee (e.g. membership or other).

2. The initial prepayment will be credited to the Participant's prepaid account at the time the member begins service under this Program.

3. Payments are posted to a Participant's account once they are received.

4. Energy assistance pledges and/or payment assistance support will be applied to a Participant's account when such payments are actually received by the Cooperative.

I. OUTSTANDING BALANCES DUE

1. A maximum initial amount of $400 owed to the Cooperative will be allowed to be placed on a prepaid arrangement. Should a Participant have more than this amount owed to the Cooperative, they must agree to pay all outstanding amounts owed to the Cooperative prior to enrolling into the Program.

2. Any unbilled energy charges must be paid prior to participating in the Program.

3. Failure to pay any outstanding amounts owed to the Cooperative in accordance with either the arrangement or the provision of the Program will result in the Participant's electric service being disconnected.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

J. MINIMUM BALANCE REQUIREMENTS

1. A Program Participant will be required to maintain a credit balance or a balance equal to zero ($0) in their account at all times under this Program.

K. DISCONNECT NOTICES

1. A Participant will not receive printed / paper delinquent notices via U.S. Mail under this Program.

2. All official communications under the Program, which include notice of disconnection of service and low account balance notices will be provided through the Cooperative's online portals.

L. SERVICE SECURITY DEPOSITS

1. All deposit amounts, as defined under Policy 307, Service Security Deposits - Residential, do not apply to Participants while enrolled in this Program.

2. Policy 307, as it currently exists or as it may be amended, does apply when a person seeks to re-establish / establish electric service with the Cooperative when not participating in this Program.

3. The credit history established with the Cooperative while receiving service under the Program will not be considered when evaluating the application of the criteria defined under Policy 307.

4. All existing deposits which have been paid on the affected account by a Participant, and retained by the Cooperative, shall be credited to the Participant's account as a part of participating in the Program.

5. A refund of any excess deposit amounts will be considered by the Cooperative on a case-by-case basis.

M. DISCONNECTION OF SERVICE AND MEMBERSHIP TERMINATION

1. A Participant in the Program will be disconnected from service once they have a balance of greater than zero ($0) on the account.

2. Members enrolled in the Program, whose disconnection may be deferred pursuant to the Cooperative's rules, will accrue debt for all electric service provided during the deferral period and will be responsible for paying all such amounts to maintain service.

Public Disclosure Document

3. Disconnection can occur at any time (e.g. 7 days/week, 24 hours/day) including holidays and weekends (e.g. Saturday and Sunday).

4. A Participant's account which is disconnected for a period of seven (7) days or more will be considered inactive and will receive a "final bill" including all amounts for service received, less payments and refunds of refundable fees and charges.

5. Final bills for inactive accounts will be sent via U.S. Mail to the Participant's last known address on file with the Cooperative for the account in question.

6. For inactive accounts, all amounts then owed, together with other applicable fees and charges, must be paid prior to service being restored.

N. SERVICE RESTORATION PRIOR TO AN ACCOUNT BECOMING INACTIVE

At any time prior to a Participant's account being deemed "inactive":

1. Once a Participant's electric service has a credit balance or a balance equal to zero ($0) on the account, service will generally be restored / re-established as soon as practical.

2. Service restoration will occur by a remote device, located at the Participant's residence thus remotely restoring service.

3. The Participant may be required to take certain actions, as directed by the staff of the Cooperative, before electric service can be restored to ensure such restoration is occurring in a safe and appropriate manner.

4. The staff of the Cooperative may provide Participants with specific instructions as to the step(s) needed to restore service, once it has been disconnected and the account balance is greater than zero ($0).

O. OUTSTANDING BALANCES AT PROGRAM INITIATION

1. Program Participants will only be allowed to make a one-time payment arrangement for any "outstanding" balance then owed to the Cooperative in the amount of $400 or less under this Program.

2. The portion of any outstanding balance then due to the Cooperative greater than $400 must be paid, in full, prior to being accepted to this Program.

3. All payments made under this Program which have a payment arrangement created prior to entering the Program, as described herein, will be credited as provided for below:

Public Disclosure Document

a. 50% of any payment shall be applied to the one-time payment arrangement balance; and

b. 50% of the payment shall be applied to the Program.

4. After the payment arrangement has been satisfied, all future payment amounts will be credited to the Participant's account under the Program.

P. INDEMNIFICATION

1. A Program Participant shall assume all liability for and shall indemnify the Cooperative and its members, trustees, directors, officers, managers, employees, agents, representatives, affiliates, successors and assigns for – and shall hold them harmless from– any and all claims, losses, costs and expenses of any kind or nature to the extent they relate to the account, participation in the Program, Participant's failure to comply with the provisions of the Program or obligations established herein, disconnection of the account, restoration of service to the account and interruption of service to the account, including but not limited to damages or losses from:

a. personal injury or death;

b. property damage;

c. damages for financial or monetary losses allegedly due to disconnection of electric service, interruption of electric service or restoration of electric service to the prepay account;

d. inconvenience or discomfort from disconnection of electric service, interruption of electric service or restoration of electric service to the account;

e. health problems asserted to be related to disconnection of electric service, interruption of electric service or restoration of electric service to the account;

f. costs, expenses or attorney's fees incurred for a claim or lawsuit relating to disconnection of electric service, interruption of electric service or restoration of electric service to the account;

g. any and all obligations asserted by or on behalf of third parties arising out of or resulting from the account or Participant's failure to comply with obligations established under this Program;

h. any and all property damage, personal injury or death related to the restoration of electric service to the account after a period of disconnection; and

i. any consequential damages related to the account.

Public Disclosure Document

2. Participants in the Program assume responsibility for all electrical appliances and operating systems on the Participant's side of the meter (i.e. such as stoves, heaters, heating systems, irons, hair dryers, etc.) which had been operating at the time of disconnection and which may then be re-energized at time of reconnection.

3. Participants indemnify the Cooperative from any damages whatsoever (personal injury, property damages, business losses, consequential damages, third party damages) related to restoration of electric service to the account.

Q. OTHER

1. Street Lighting – All streetlights billed by the Cooperative under its Outdoor Lighting ("OL") rate schedule relating to a Participant's account in the Program will be converted to "daily values" under the Program based on monthly charges associated with the streetlight.

2. Meter Tampering – If tampering with any of the Cooperative's property or equipment is discovered, the Participant will be removed from the Program and additional fees and/or deposits will apply as outlined in the applicable policy.

3. Program Termination and/or Changes – The staff of the Cooperative reserves the right to remove any Participant from the Program at any time. Also, the Board of Directors of the Cooperative, at its sole discretion, reserves the right to amend and/or cancel this policy and Program, at any time, without notice.

R. ACKNOWLEDGEMENT

1. Participants in the Program must acknowledge, in writing, the acceptance of the Program requirements, as stated herein on Exhibit 1, attached to and made a part of this policy.

SUPPLEMENTAL CONTRACT
PREPAID METERING PROGRAM TERMS AND CONDITIONS

(Exhibit 1)

The undersigned (hereinafter called the "Member") hereby applies for participation in Sawnee Electric Membership Cooperative's (hereinafter called "Sawnee EMC") Prepaid Metering Program ("Program"), and agrees to abide by the following terms and conditions:

1. The Member acknowledges that in addition to this Supplemental Contract, the following documents, as they may exist from time to time, shall also apply to and govern the terms of the Member's electric service from Sawnee EMC: (i) the Member's Application For Membership, (ii) Sawnee EMC's Bylaws, (iii) Sawnee EMC's Service Rules and Regulations, (iv) Sawnee EMC's Policies (including,

Public Disclosure Document

without limitation, Policy 420, attached hereto); and (v) Sawnee EMC's applicable rate or rate(s). This Supplemental Contract, and all the forgoing documents, as they may exist from time to time, shall be binding upon both parties and shall be referred to herein as the "Governing Documents." To the extent that any provision of this Supplemental Contract or Policy 420 conflicts with any provision of another Governing Document, the provisions of this Supplemental Contract and Policy 420 shall control.

2. The Member shall pay any membership, transfer, connect and/or applicable fees as specified in the Governing Documents.
3. The Member acknowledges that Program participants will not receive a monthly statement of electric usage or other applicable fees or charges.
4. The Member shall be responsible for regular monitoring of the balance on the Program account and understands that electric service may be turned off immediately (including on weekends and holidays) without written notification once the balance on the account is less than zero ($0.00).
5. The Member acknowledges that electric service can be restored automatically and immediately upon a payment being made. **The Member must ensure that all electric appliances are turned off, and the electric system is safe to be re-energized, prior to the Member making a payment while service is disconnected. By signing below, the Member accepts full responsibility for, and agrees to hold Sawnee EMC harmless for, any and all damages arising from the re-energizing of the Member's electric service upon the deposit of a payment.**
6. A Participants account which disconnected for a period of seven (7) days or more will be considered inactive and will receive a "final bill" including all amounts for service received, less payments and refunds of refundable fees and charges.

SECTION 31 – LIMITED ENGLISH PROFICIENCY PROGRAM (NO. 421)

A. GENERAL

1. The staff of the Cooperative (Staff) have proposed herein, and the Board of Directors (Board) have approved, a formal process to receive, process, and respond to bona fide LEP complaints filed with the Cooperative.

2. The Vice President of Office Services, or his/her designee, shall be considered the LEP Compliance Officer.

B. PROGRAM OVERVIEW

1. The Cooperative will take reasonable steps to ensure persons with Limited English Proficiency (LEP) have meaningful access and an equal opportunity to participate in its services, activities, programs, and other benefits.

Public Disclo

2. The policy of the Cooperative is to ensure meaningful communication with LEP persons and their authorized representatives involving their service.

3. The LEP of the Cooperative provides for communication of information contained in documents, including but not limited to, waivers of rights, consent forms, financial forms, etc.

4. All interpreters, translators and other aids needed to comply with this policy shall be provided without cost to the person being served, and their families will be informed of the availability of such assistance free of charge.

5. Language assistance will be provided through use of competent bilingual Staff, Staff interpreters, Sawnee EMC Web site, contracts or formal arrangements with organizations providing interpretation or translation services, or technology and telephonic interpretation services.

6. All Staff will be provided notice of this policy and procedure, and Staff which may have direct contact with LEP persons will be trained in effective communication techniques, including the effective use of an interpreter.

C. COMPLAINT PROCESS AND REQUIREMENTS

1. Any individual who believes the Cooperative has discriminated against them, or against a class or persons, in violation of the Cooperative's LEP Program, may file a complaint with the Cooperative within 180 days after the date of the alleged discriminatory event. Failure to file a LEP complaint within 180 days of the alleged event may lead to dismissal of the complaint.

2. Once a LEP complaint has been received by the Staff, such LEP complaint shall be forwarded to the LEP Compliance Officer, or his/her designee, to be processed as outlined herein.

3. The LEP individual filing the complaint should, at a minimum, provide the following information for a complaint to be considered valid:

   a. The name, address, telephone number, and signature of person filing the LEP complaint;
   b. Facts and circumstances surrounding the LEP complaint, including the date of the allegation, and the legal basis of the LEP complaint (i.e., race, color, national origin, or LEP status);

Public Disclosure Document

c. Any names and contact information of persons, if known, whom the LEP Compliance Officer could contact for additional information to support and/or clarify the allegations of the LEP complaint; and

d. Corrective actions or remedies that the LEP complainant wishes to see provided.

4. The Cooperative shall make available a LEP Complaint form (attached as "Exhibit A") available upon request to individuals seeking to file a complaint based on the Cooperative's LEP program. This Complaint form outlines the specific information sought by the Cooperative in conducting any investigation into LEP complaints and shall be used by Cooperative employees in memorializing any verbal complaints based on the LEP Program. The Cooperative will provide translated versions of the LEP Complaint form, as required by law and census data, relative to the Cooperative's eligible service population.

5. Failure to utilize the Cooperative's LEP Complaint form will not prevent a complaint from being processed; however, the failure to provide the information outlined above will result in the LEP complaint being considered invalid and returned to the complainant (if possible) for completion. The staff will not take any action until the minimum information, as provided herein, is provided by the complainant.

6. In all cases, the LEP Compliance Officer, or his/her designee, shall respond to all valid and completed LEP Complaints received as outlined below:

   a. With an initial assessment within ten (10) business days of receipt of a valid LEP complaint.

   b. With the Cooperative's final assessment and proposed action, if any, within sixty (60) days of receipt of a valid LEP complaint.

D. REPORTING

1. A log of all LEP Complaints received by the Cooperative and provided to the LEP Compliance Officer shall be maintained by the LEP Compliance Officer, or his/her designee, to serve as documentation of the nature of and final resolution of an LEP complaint.

2. No less than annually, the LEP Compliance Officer, or his/her designee, shall make a written report to the Office of the President and Chief Executive Officer (CEO) as to the effectiveness of the Cooperative's LEP program and the nature and resolution of all valid LEP complaints received since his/her last report.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

3. By approving this policy, the Board is also approving the Cooperative's support of the LEP Plan.

4. The staff will review the Cooperative's LEP Plan no less than every three (3) years to determine if any additional action is needed or warranted and where such action is needed, the staff will advise the Board accordingly.

E. MONITORING

1. On an ongoing basis, the Cooperative will assess changes in demographics, types of services, or other needs which may require reevaluation of its LEP policy and its procedures.

2. In addition, the Cooperative will regularly assess the efficacy of these procedures, including but not limited to mechanisms for securing interpreter services, equipment used for the delivery of language assistance, complaints filed by LEP persons, feedback from persons and others.

SECTION 32 – VIRTUAL SOLAR PROGRAM (NO. 422)

A. OVERVIEW

1. This Program is designed to provide a participating Cooperative member ("Participant") with certain benefits generally believed to be associated with having a traditional on-site solar system, without the challenges of on-premises solar system ownership.

2. Program Participants will receive a designated "allocation of solar energy", to their qualifying Cooperative account, for the assigned output of the Cooperative's solar assets assigned for use under this Program and relating to the assigned amount for the applicable billing period.

B. GENERAL

1. Each Participant will be allowed to purchase the solar energy output until all the available blocks assigned to the Program are fully subscribed.

2. The Cooperative will provide a monthly statement to each Participant, which will itemize their Program cost, as provided for in the Cooperative's Rate Schedule VSR, and will show the Participant's assigned solar energy to be credited on their account for the applicable billing period.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

3. Participation in the Program is "voluntary", and certain restrictions apply. Participation will be on a "*month by month*" basis, with no contract. The Participant may cancel participation at any time and only those charges billed by the Cooperative, as of the date of termination, will apply.

4. Each Program Participant will receive an allocated share of the energy produced, adjusted for losses, by the solar assets assigned to the Program for the designated billing period. The energy allocation will be based on the Participant's number of subscribed blocks, and the assigned energy production, as provided for herein.

5. Sawnee's NEM Rider will apply as it relates to renewable energy credits (RECs) under the Program. The RECs will remain with the energy, whether purchased or net energy sold – i.e., Sawnee will acquire RECs applicable to any electricity the participating account sells to Sawnee under the NEM Rider. The Participant will acquire all RECs applicable to the Participant's solar energy purchased under the Program.

6. Any energy that exists on a Participant's account, in excess of the Participant's actual monthly energy usage (e.g., energy sold back to the Cooperative), will be handled as outlined under Sawnee's NEM Rider; with all excess energy purchased by the Cooperative will occur so at the then published NEM rate(s) for the month in which the excess energy exists.

C. REQUIREMENTS

1. The Program is available for Cooperative accounts served under its Residential Rate (Schedule "H") or its Small Commercial Rate (Schedule "SC") schedules.

2. Schedule VSR will identify the Program's monthly fixed cost per block of photovoltaic (PV) panels.

D. LIMITATIONS

1. Members participating in the following programs shall not be eligible to participate in the Program: 1.) pre-paid metering, 2.) net energy metering program, and/or 3.) accounts that receive service under any other Cooperative retail rates than what is allowed herein.

2. The Program will be subject to the availability of blocks allocated for use under this Program, until they are fully all subscribed.

E. ADDITIONAL REQUIREMENTS

1. The Service Rules and Regulations, Bylaws, Charter, policies and rates of the Cooperative apply to the provisions of this policy and this Program.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

2. The Board of Directors (Board) of the Cooperative reserves the right to amend, change or eliminate this policy and this Program at any time, without notice.

SECTION 33 – COMMERCIAL VIRTUAL SOLAR RIDER PROGRAM (NO. 423)

A. OVERVIEW

1. This Program is designed to provide a qualifying participating member ("Participant") with certain benefits generally believed to be associated with a traditional on-site solar system, without the requirements of on-site solar system ownership.

2. Program Participants will receive a designated "allocation of virtual solar energy", to their qualifying Cooperative account, for the assigned output of the Cooperative's solar assets assigned for use under this Program and relating to the assigned amount of virtual solar energy for the applicable billing period.

B. GENERAL

1. Each Participant will be allowed to purchase the virtual solar energy output from up to **one hundred (100) blocks** of assets designated for use under this Program, until all the available blocks assigned to the Program are fully subscribed.

2. The Cooperative will provide a monthly statement to each Participant, which will itemize their Program cost, as provided for in the Cooperative's Rate Schedule Commercial Virtual Solar Rider ("CVSR") and will show the Participant's assigned virtual solar energy and associated demand to be credited on their account for the applicable billing period.

3. Participation in the Program is "voluntary", and certain restrictions apply. Participation will be on a "month by month" basis, with no contract. The Participant may cancel participation in the Program at any time and only those charges billed by the Cooperative, as of the date of termination, will apply.

4. Each Program Participant will receive an allocated share of the energy produced, adjusted for losses, by the solar assets assigned to the Program for the designated billing period. The energy and demand allocations will be based on the Participant's number of subscribing blocks, and the assigned energy production, as provided for herein.

Public Disclosure Document

5. Each Program Participant will receive a calculated demand capacity credit for the energy purchased under the Program, adjusted for losses, and based on the total solar assets assigned to the Program. The calculated demand is based on the load factor and the number of blocks subscribed to by the member under the Program for the designated billing period.

6. The calculated demand capacity credit will be based on the Participant's actual energy used, the Participant's actual billing demand for the period, the number of subscribed blocks, and the assigned energy production, as provided for herein.

7. Sawnee's Net Energy Metering Rider ("NEM") will apply as it relates to renewable energy credits ("RECs") under the Program. The RECs will remain with the energy, whether purchased or net energy sold – i.e., the Cooperative will acquire RECs applicable to any electricity the participating account sells to the Cooperative under the NEM Rider. The Participant will acquire any and all RECs applicable to the Participant's virtual solar energy received under the Program.

8. Any energy that exists on a Participant's account, in excess of the Participant's actual monthly energy usage (e.g., energy sold back to the Cooperative), will be handled as outlined under Sawnee's NEM Rider; with all excess energy purchased by the Cooperative to occur at the then published NEM rate(s) for the month in which the excess energy exists.

C. REQUIREMENTS

1. The Program is only available for Cooperative accounts served under either its Large General Service (Schedule "G"), School Service (Schedule "SCHS"), and Large Power Service (Schedule "LPS") schedules.

2. Schedule CVSR will identify the Program's monthly fixed cost on a dollar per block of virtual solar energy basis.

D. LIMITATIONS

1. Members participating in the Program shall not be eligible to participate in the Cooperative's 1.) net energy metering program, except as described herein, and/or 2.) accounts that receive service under any other Cooperative commercial retail rate than what is allowed herein.

2. The Program will be subject to the availability of virtual solar energy blocks allocated for use under the Program, until the blocks are fully subscribed.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

E. ADDITIONAL RESTRICTIONS

1. The Service Rules and Regulations, Bylaws, Charter, policies and/or rates of the Cooperative shall apply to the provisions of this policy and this Program.

2. The Board of Directors of the Cooperative reserves the right to amend, change and/or eliminate this policy and/or this Program at any time, without notice.

SECTION 34 - SOLAR RENEWABLE ENERGY CREDIT PROGRAM (NO. 424)

A. OVERVIEW

1. This program is designed to provide a subscribing Cooperative member ("Participant") with certain environmental benefits generally associated with the generation of solar energy.

2. Program participants will receive a designated amount of solar renewable energy credits (SRECs) retired on their behalf to their qualifying Cooperative account equaling their subscribed amount at either 1.) 50% or 2.) 100% of their monthly Cooperative energy usage, for the applicable billing period.

B. GENERAL

1. Each program participant will be allowed to purchase SRECs up to a max of 100% of their monthly usage under this program, until all the available SRECs assigned to the program are fully subscribed.

2. The Cooperative will provide an annual certificate, on a calendar year basis, to each participant, which will clearly define the number of SRECs retired on their behalf, as provided for in the Cooperative's Rate Schedule SREC, for their Cooperative account in that year.

3. Participation in the program is "voluntary", and certain restrictions apply. Participation will be on a "*month by month*" basis, with no contract. The participant may cancel involvement at any time and only those charges billed by the Cooperative, as of the date of termination, will apply.

4. All SRECs under the program will be associated with actual solar energy that has been generated and received by the Cooperative, adjusted for losses, from those solar assets that the Cooperative has designated for this purpose for the applicable billing period.

Public Disclosure Document

5. The Cooperative will take reasonable steps to ensure that the SRECs under the Program are registered, accounted for, serialized, and tracked so they may be retired on behalf of the participant.

6. Once SRECs are purchased and retired for the participant, the associated SRECs will not be used by the Cooperative for any other purpose.

7. The SRECs in the program will remain with the energy associated with them and cannot be sold or transferred.

C. ANNUAL TRUE-UP

1. Should a participant member wish to true up their annual energy usage to the amount of SRECs that they had purchased, in a given year, that request will be managed on a "case-by-case" basis and will be subject to availability of SRECs and at the sole discretion of the Cooperative.

D. REQUIREMENTS

1. The program is available for Cooperative accounts served under all rate schedules offered by the Cooperative.

2. Schedule SREC will identify the program's monthly fixed cost per SREC.

E. LIMITATIONS

1. Members participating in the following Cooperative programs shall not be eligible to participate in the program: 1.) pre-paid metering, or 2.) net energy metering.

2. The program will be subject to the availability of SRECs for use under this program, until they are all fully subscribed.

F. ADDITIONAL RESTRICTIONS

1. The Service Rules and Regulations, Bylaws, Charter, policies, and rates of the Cooperative apply to the provisions of this policy and this program.

2. The Board of Directors of the Cooperative reserves the right to amend, change or eliminate this policy and this program at any time, without notice.

Public Disclosure Document

SECTION 35 - USE OF MEETING ROOMS AND CORPORATE BULLETIN BOARDS (NO. 502)

A. USE OF A COOPERATIVE MEETING ROOM

1. The Cooperative shall permit various community and civic groups to use a designated meeting room and/or associated building facilities with a responsible person in charge.

2. In order to allow the maximum number of eligible groups to use these facilities, meetings of any one (1) group cannot be regularly scheduled, but must be scheduled on a "first-come, first-served" basis. Each request for use of the Cooperative's facilities must be documented by completing a "Request to Use Meeting Facilities Form" (Exhibit "A").

3. No charge shall be made for the normal use of a Cooperative meeting room and/or building facilities. However, if the room and/or building facilities are abused or misused, a charge equal to the amount of the damage or cost to restore the room to its previous state may be assessed. The requesting party will also be responsible for any charges related to the need of additional staff or security.

4. Notice must be received by the Cooperative no less than fourteen (14) business days prior to the date of the requested use.

5. The Cooperative will, at all times, reserve the right to deny the use of these facilities at the sole discretion of the staff of the Cooperative.

6. Under no circumstances shall any utilization of the Cooperative's facilities, by a requesting party, interfere with the normal operation of the Cooperative.

B. USE OF COOPERATIVE BULLETIN BOARDS

1. Non-company related material must be approved for posting on Cooperative bulletin boards by the Vice President of Human Resources.

   a. If approved for posting, material must be no larger than 8-1/2" x 11".

   b. Material may remain on Cooperative bulletin boards for a maximum of three (3) business days. After three (3) business days, the material will be taken down and placed in the Human Resources Department to be retrieved. If not claimed on the same day of removal, the material will be discarded.

   c. Posted material must not block or crowd Cooperative material.

2. General guidelines for approval include but are not limited to: civic or community announcements, advertisements to buy or sell personal items (employees only, no commercial advertisements), etc.

Note: All forms referenced herein have been removed to conserve space and can be obtained by contacting SEMC directly.

Public Disclosure Document

3. The Cooperative reserves the right not to approve posting of any material. Approval or disapproval will be handled through the Cooperative's Vice President of Human Resources.

C. GENERAL

1. This policy relates only to Corporate bulletin boards and does not apply to those bulletin boards designated for Union communications.

SECTION 36 – MERCHANDISING AND SELLING OF ELECTRIC MATERIALS BY THE COOPERATIVE (NO. 503)

A. METER BASES AND OTHER METERING EQUIPMENT

1. The staff of the Cooperative ("Staff") may provide meter bases and other metering equipment to active members of the Cooperative, for a fee, as approved by the Cooperative.

2. All metering equipment shall be furnished / sold on a "fee" basis. This fee shall be determined based on the cost of each item, including all applicable cost.

3. The Financial Services Department of the Cooperative shall, from time to time, establish the method and price of all such equipment to be sold.

4. The Cooperative may, without charge and on a limited basis, furnish unique and unusual items to provide required metering, as determined by the Cooperative.

B. POLES

1. The Cooperative shall be allowed to sell new poles to the general public.

2. Selling of these items shall be performed relative to the guidelines outlined herein, as well as additional requirements.

C. ALL OTHER ITEMS

1. The sale of other material items not specifically referenced herein, must follow the guidelines outlined herein and must be approved in advance by the President and Chief Executive Officer ("CEO").

2. The CEO, or his designee, will establish a level/value of an item that can be approved for sale by the Staff.

Public Disclosure Document

D. GENERAL

1. The Cooperative's Financial Services Department shall, from time to time, establish and, as necessary, revise the selling price of each item for sale as provided for herein.

2. The Cooperative shall limit deviation from its principal business of providing electric energy and capacity to its members/consumers.

3. The Cooperative may sell electrical supply material, hardware and related items that are normally carried in its inventory **if** the individual is unable to obtain such items elsewhere.

4. All sales of the Cooperative's electric materials, supplies, etc. must be conducted and transacted in the Cooperative's office, in person.

5. Such sales shall be authorized as outlined herein.

6. Generally, only the CEO, as an agent of the Cooperative and being empowered by the Board of Directors (Board) with the authorization and responsibility of conducting and transacting the sale of materials, supplies, and other items as outlined herein, is empowered to make the decision on the sale of items owned by the Cooperative.

7. The Financial Services Department shall maintain records for inspection, including items sold, their value, and the amount received for all materials, supplies and other items.

8. Payment by the individual must be made by cash, check, or credit card at the time of sale. The applicable Cooperative maximum amount that can be charged on a credit card shall apply.

9. Material, supplies, or other items which are part of the Cooperative's Garage inventory, stock, or non-stock, will not be sold under this policy.

10. All sales are final. No refunds or exchanges will be allowed.

Public Disclosure Document