PRESQUE ISLE ELECTRIC & GAS CO-OP

RATE BOOK

FOR

ELECTRIC SERVICE

These Standard Rules and Regulations and Rate Schedules contained herein have been adopted by the Cooperative to govern its relations with Member-Consumers and have been approved by the Board of Directors of Presque Isle Electric & Gas Co-op as an integral part of its Rate Book for Electric Service.

Copies of the Cooperative's Rate Book for Electric Service are available on Presque Isle Electric & Gas Co-op's website at the following website address Presque Isle Rate Book

Territory

This Rate Book for Electric Service applies to the entire territory served with Electricity by the Cooperative.

THIS RATE BOOK SUPERSEDES AND CANCELS RATE BOOK

M.P.S.C. No. 3 – Electric

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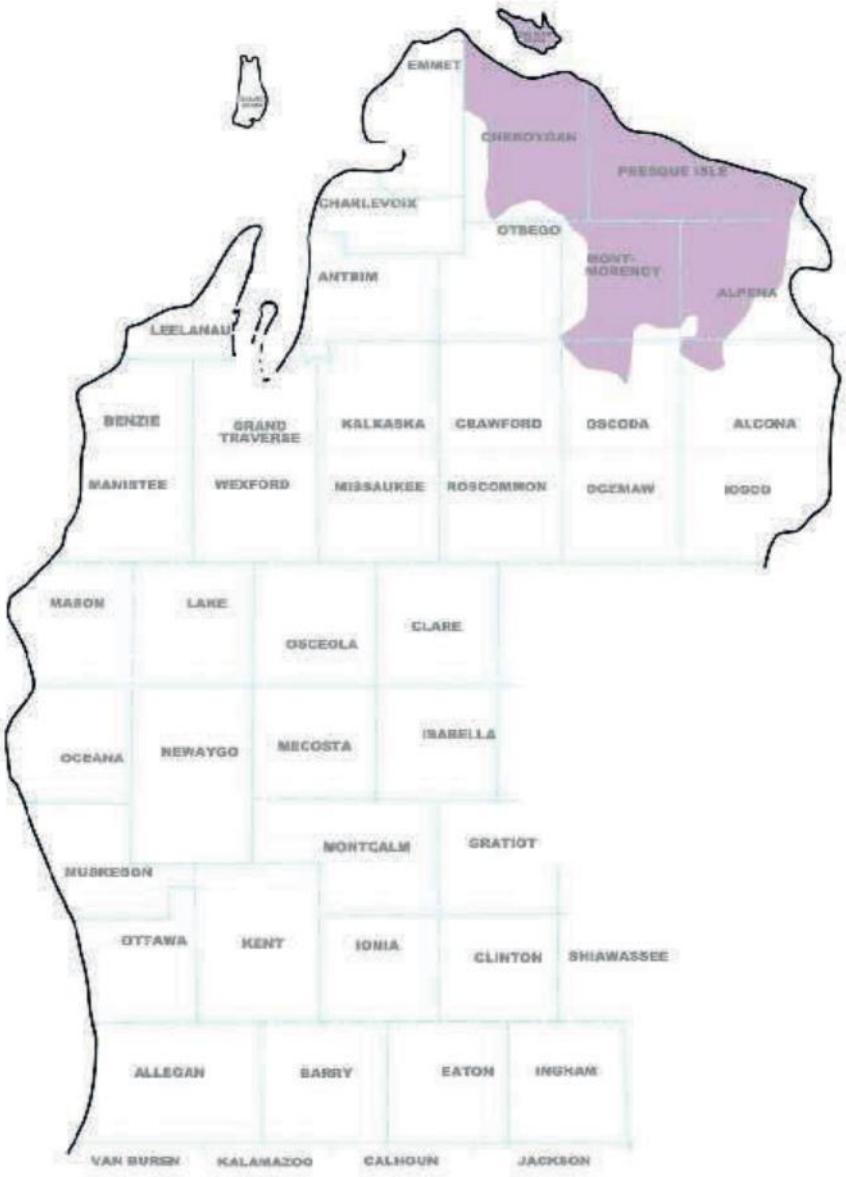
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Original Sheet No. E-1.21	October 10, 2007
Original Sheet No. E-2.00	October 10, 2007
Original Sheet No. E-2.01	October 10, 2007

COUNTIES/TOWNSHIPS SERVED IN MICHIGAN

COUNTY	TOWNSHIP	COUNTY	TOWNSHIP
ALCONA	Alcona	**OSCODA**	Clinton
	Caledonia		Comins
	Mitchell		Elmer
			Greenwood
ALPENA	Alpena		
	Green	**OTSEGO**	Charlton
	Long Rapids		Corwith
	Maple Ridge		
	Ossineke	**PRESQUE ISLE**	Allis
	Wellington		North Allis
	Wilson		Bearinger
			Belkap
CHEBOYGAN	Aloha		Bismarck
	Beaugrand		Case
	Benton		Krakow
	Burt		Metz
	Ellis		Moltke
	Forest		Ocqueoc
	Grant		Posen
	Hebron		Presque Isle
	Inverness		Pulawski
	Koehler		Rogers
	Mackinaw		
	Mentor	**CITIES**	Onaway
	Mullet		
	Munro	**VILLAGES**	Atlanta
	Nunda		Hawks
	Tuscarora		Lewiston
	Walker		Millersburg
	Waverly		Posen
			Tower
EMMET	Carp Lake		
MACKINAC	Bois Blanc		
MONTMORENCY	Albert		
	Avery		
	Briley		
	Hillman		
	Loud		
	Montmorency		
	Rust		
	Vienna		

SERVICE MAP


EMMET
CHEBOYGAN
PRESQUE ISLE
CHARLEVOIX
OTSEGO
MONT-MORENCY
ALPENA
ANTRIM
LEELANAU
BENZIE
GRAND TRAVERSE
KALKASKA
CRAWFORD
OSCODA
ALCONA
MANISTEE
WEXFORD
MISSAUKEE
ROSCOMMON
OGEMAW
IOSCO
MASON
LAKE
OSCEOLA
CLARE
OCEANA
NEWAYGO
MECOSTA
ISABELLA
MONTCALM
GRATIOT
MUSKEGON
OTTAWA
KENT
IONIA
CLINTON
SHIAWASSEE
ALLEGAN
BARRY
EATON
INGHAM
VAN BUREN
KALAMAZOO
CALHOUN
JACKSON

DEFINITIONS, TECHNICAL TERMS AND ABBREVIATIONS

Cooperative	-	Presque Isle Electric & Gas Co-op acting through its authorized officers or employees within the scope of their respective duties.
Applicant	-	A person, firm or corporation applying for electric service from the Cooperative at one location.
Member-Consumer	-	A person, firm or corporation purchasing electric service from the Cooperative under these Rules and Regulations.
Line Extension	-	The installation of such facilities as poles, fixtures, transformers, wires and other appurtenances that are necessary to connect a new member or members to the Cooperative's distribution system.
Hertz	-	Cycle per second.
Kilowatt (kW)	-	Unit of electrical power representing rate of usage of energy; equivalent to 1,000 watts or approximately 1-1/3 horsepower.
Kilowatt-hour (kWh)	-	Unit of electrical energy equivalent to the use of one kilowatt for one hour.
Kilovoltampere (kVA)	-	Unit of apparent electrical power which at 100% power factor is equivalent to one kilowatt.
Demand	-	the load at the terminals of an installation or system average over a specified period of time as expressed in terms of kW, KVA or other suitable units.
Power Factor (PF)	-	Ratio of kilowatt power to kilovoltampere apparent power.
Horsepower (hp)	-	Unit of mechanical power equivalent to 746 watts of electrical power or approximately 0.75 kW.
Month	-	Unless preceded by the word "calendar," the term "month" shall refer to a "billing month."
Billing Month	-	The period between two successive, scheduled meter readings when a member is billed under the provisions of a monthly rate schedule.

(Continued on Sheet No. A-6.01)

DEFINITIONS, TECHNICAL TERMS AND ABBREVIATIONS
(Continued from Sheet No. A-6.00)

Year	-	Unless preceded by the word "calendar", the term "year" shall refer to a "billing year".
Billing Year	-	The period between two successive, scheduled meter readings, when a member is billed under the provisions of an annual rate schedule.
Permanent Residence	-	A member-consumer's primary place of residence as evidenced by homestead exemption.
Seasonal Residence	-	A member's secondary residence, not meeting the definition above of a "permanent residence", which the member-consumer uses on a part-time, irregular or seasonal basis for such purposes as vacation, recreation, retreat, etc.
Member-Consumer Read System	-	Because of the physical size and low member-consumer density, Cooperative requires that member-consumers on monthly billed rates read their meter on a monthly basis and provide that reading to Cooperative on or before the due date.

SECTION B
ADMINISTRATIVE RULES INDEX

B1. TECHNICAL STANDARDS FOR ELECTRIC SERVICE (R 460.3101 - R 460.3908) (FOR ALL MEMBER-CONSUMERS)

PART 1. GENERAL PROVISIONS

R 460.3101 Applicability; purpose; modification; adoption of rules and regulations by utility.
R 460.3102 Definitions.

PART 2. RECORDS, REPORTS, AND OTHER INFORMATION

R 460.3201 Records; location; examination.
R 460.3202 Records; preservation.
R 460.3203 Documents and information; required submission.
R 460.3204 Customer records; retention period; content.
R 460.3205 Security reporting.

PART 3. METER REQUIREMENTS

R 460.3301 Metered measurement of electricity required; exceptions.
R 460.3303 Meter reading data.
R 460.3304 Meter data management system.
R 460.3305 Meter multiplier.
R 460.3308 Standards of good practice; adoption by reference.

PART 4. CUSTOMER RELATIONS

R 460.3408 Temporary service; cost of installing and removing equipment owned by utility.
R 460.3409 Protection of utility-owned equipment on customer's premises.
R 460.3410 Extension of facilities plan.
R 460.3411 Extension of electric service in areas served by 2 or more utilities.

(Continued on Sheet No. B-2.00)

(Continued from Sheet No. B-1.00)

B1. TECHNICAL STANDARDS FOR ELECTRIC SERVICE (R 460.3101 - R 460.3908) (FOR ALL MEMBER-CONSUMERS) (Cont'd)

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R 460.3501	Electric plant; construction, installation, maintenance and operation pursuant to good engineering practice required.
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R 460.3503	Utility plant capacity.
R 460.3504	Electric plant inspection program.
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PART 6. METERING EQUIPMENT INSPECTIONS AND TESTS

R 460.3601	Customer-requested meter tests.
R 460.3602	Meter and associated device inspections and tests; certification of accuracy.
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R 460.3604	Meters and associated devices; removal tests.
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R 460.3607	Watt-hour meter requirements.
R 460.3609	Instrument transformers used in conjunction with metering equipment; requirements.
R 460.3610	Portable indicating voltmeters; accuracy.
R 460.3611	Meter testing equipment; availability; provision and use of primary standards.
R 460.3612	Test standards; accuracy.
R 460.3613	Solid state meter and metering equipment testing requirements.
R 460.3613a	Electro-mechanical meter and metering equipment testing requirements.
R 460.3614	Standards check by the commission.
R 460.3615	Metering equipment records.
R 460.3616	Average meter error; determination.
R 460.3617	Reports to be filed with the commission.
R 460.3618	Generating and interchange station meter tests; schedule; accuracy limits.

(Continued on Sheet No. B-3.00)

(Continued from Sheet No. B-2.00)

B1. TECHNICAL STANDARDS FOR ELECTRIC SERVICE (R 460.3101 - R 460.3908) (FOR ALL MEMBER-CONSUMERS) (Cont'd)

PART 7. STANDARDS OF QUALITY OF SERVICES

R 460.3701 Alternating current systems; standard frequency.
R 460.3702 Standard nominal service voltage; limits; exceptions.
R 460.3703 Voltage measurements and records.
R 460.3704 Voltage measurements; required equipment; periodic checks; certificate or calibration card for standards.
R 460.3705 Interruptions of service; records; planned interruption; notice to commission.

PART 8. SAFETY

R 460.3801 Protective measures.
R 460.3802 Safety program.
R 460.3803 Energizing services.
R 460.3804 Accidents; notice to Commission.

B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS RESIDENTIAL SERVICE (R 460.101 - R 460.169)

PART 1. GENERAL PROVISIONS

R 460.101 Applicability; purpose.
R 460.101a Scope of rules.
R 460.102 Definitions; A to F.
R 460.102a Definitions; G to P.
R 460.102b Definitions; Q to Z.
R 460.103 Discrimination prohibited.
R 460.104 Conduct of proceedings.
R 460.105 Additional rules.

PART 2. APPLICATION FOR SERVICE

R 460.106 Service requests
R 460.107 Residential service account requirements.

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(Continued from Sheet No. B-3.00)

B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS RESIDENTIAL SERVICE (R 460.101 - R 460.169) (Cont'd)

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R 460.108 Prohibited practices.
R 460.109 Deposit for residential customer.
R 460.111 General deposit conditions for residential customers.
R 460.111a General deposit conditions for nonresidential customers.
R 460.112 Guarantee terms and conditions for residential customers.

PART 4. METER READING PROCEDURES, METER ACCURACY, METER ERRORS AND RELOCATION

R 460.113 Actual and estimated meter reading.
R 460.114 Customer meter reading.
R 460.115 Meter accuracy and errors for electric and gas customers.
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PART 5. BILLING AND PAYMENT STANDARDS

R 460.117 Bill information
R 460.118 Electronic billing requirements.
R 460.119 Separate bill; consolidation and balance transfers for residential and small nonresidential customers.
R 460.120 Billing frequency; method of delivery.
R 460.121 Equal monthly billing.
R 460.122 Cycle billing.
R 460.123 Payment of bill.
R 460.124 Payment period.
R 460.125 Late payment charges.
R 460.126 Billing for unregulated non-energy services.
R 460.126a Billing error.
R 460.126b Responsibility for unauthorized use of utility service.

(Continued on Sheet No. B-5.00)

(Continued from Sheet No. B-4.00)

B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS RESIDENTIAL SERVICE (R 460.101 - R 460.169) (Cont'd)

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R 460.127 Voluntary termination.

PART 7. ENERGY ASSISTANCE AND SHUTOFF PROTECTION PROGRAMS FOR RESIDENTIAL CUSTOMERS

R 460.128 Listing of energy assistance programs for residential customers.
R 460.129 Notice of energy assistance programs for residential customers.
R 460.130 Medical emergency.
R 460.130a Critical care customer shut off protection.
R 460.131 Winter protection plan for eligible low-income customers.
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R 460.133 Eligible military customer.
R 460.134 Extreme weather condition policy.

PART 8. PROCEDURES FOR SHUTOFF AND RESTORATION OF SERVICE

R 460.136 Emergency shutoff.
R 460.137 Shutoff or denial of service permitted.
R 460.138 Shutoff prohibited.
R 460.139 Notice of shutoff.
R 460.140 Form of notice.
R 460.141 Time of shutoff.
R 460.142 Manner of shutoff.
R 460.143 Manner of shutoff for service provided with remote shutoff and restoration capability.
R 460.144 Restoration of service.

(Continued on Sheet No. B-6.00)

(Continued from Sheet No. B-5.00)

B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS RESIDENTIAL SERVICE (R 460.101 - R 460.169) (Cont'd)

PART 9. CUSTOMER RELATIONS AND UTILITY PROCEDURES

R 460.145 Applicability.
R 460.146 Payment plan procedures for residential and small nonresidential customers.
R 460.147 Personnel procedures.
R 460.148 Publication of procedures for residential and small nonresidential customers.
R 460.149 Access to rules and rates.
R 460.150 Complaint procedures.
R 460.151 Reporting requirements.
R 460.152 Inspection.
R 460.153 Customer access to consumption data and confidentiality.

PART 10. DISPUTES, HEARINGS AND SETTLEMENTS

R 460.154 Disputed matters.
R 460.155 Customer hearing and hearing officers for residential and small nonresidential customers.
R 460.156 Notice of hearing.
R 460.157 Customer hearing procedures.
R 460.158 Settlement agreement procedures for residential and small nonresidential customers.
R 460.159 Default of settlement agreement procedures for residential and small nonresidential customers.

PART 11. APPEAL PROCEDURES

R 460.160 Customer hearing appeal.
R 460.161 Filing procedures.
R 460.162 Customer hearing appeal procedures.
R 460.163 Interim determination.
R 460.164 Appeal review.
R 460.165 Customer hearing appeal decision.
R 460.166 Failure to comply with customer hearing decision.
R 460.167 Same dispute.
R 460.168 Formal appeal.
R 460.169 Other remedies.

(Continued on Sheet No. B-7.00)

(Continued From Sheet No. B-6.00)

B3. UNCOLLECTIBLES ALLOWANCE RECOVERY FUND (R 460.2601 - R 460.2625) (RESIDENTIAL MEMBER CONSUMERS) **RESCINDED**
This sheet has been canceled and is reserved for future use.

(Continued on Sheet No. B-8.00)

(Continued From Sheet No. B-7.00)

B4. BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBER-CONSUMERS (R 460.1601 – R 460.1640) (NONRESIDENTIAL MEMBER-CONSUMERS) **RESCINDED**

This sheet has been canceled and is reserved for future use.

(Continued on Sheet No. B-9.00)

(Continued From Sheet No. B-8.00)

B4. BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBER-CONSUMERS (R 460.1601 – R 460.1640) (NONRESIDENTIAL MEMBER-CONSUMERS) (Cont'd) **RESCINDED**

This sheet has been canceled and is reserved for future use.

(Continued on Sheet No. B-10.00)

(Continued From Sheet No. B-9.00)

B5. UNDERGROUND ELECTRIC LINES (R 460.511 - R 460.519)

R 460.511	Payment of difference in costs.
R 460.512	Extensions of residential distribution and service lines in the lower peninsula mainland.
R 460.513	Extensions of commercial and industrial lines in lower peninsula mainland.
R 460.514	Costs in case of special conditions.
R 460.515	Extensions of lines in other areas of state.
R 460.516	Replacement of existing overhead lines.
R 460.517	Underground facilities for convenience of utilities or where required by ordinances.
R 460.518	Exceptions.
R 460.519	Effective dates.

B6. ELECTRICAL SUPPLY AND COMMUNICATION LINES AND ASSOCIATED EQUIPMENT (R 460.811 - R 460.815)

R 460.811	Definitions.
R 460.812	Purpose.
R 460.813	Standards of good practice; adoption by reference.
R 460.814	Exemption from rules; application to commission; public hearing.

B7. RULES AND REGULATIONS GOVERNING ANIMAL CONTACT CURRENT MITIGATION (STRAY VOLTAGE) (R 460.2701 - R 460.2707)

R 460.2701	Definitions.
R 460.2702	Measuring animal contact voltage.
R 460.2703	Action required to mitigate animal contact current.
R 460.2704	Request for investigation.
R 460.2705	Appointment of experts.
R 460.2706	Request for a contested case hearing.
R 460.2707	Protocol to evaluate utility contribution to animal contact current.

(Continued on Sheet No. B-11.00)

(Continued From Sheet No. B-10.00)

B8. ELECTRIC INTERCONNECTION AND NET METERING STANDARDS (R 460.601 – R 460.656) **RESCINDED**

This sheet has been canceled and is reserved for future use.

(Continued on Sheet No. B-12.00)

(Continued From Sheet No. B-11.00)

B9. ELECTRIC DISTRIBUTION SERVICE STANDARDS (R 460.701 - R 460.752)

PART 1. GENERAL PROVISIONS

R 460.701 Application of rules.
R 460.702 Definitions.
R 460.703 Revision of tariff provisions.

PART 2. UNACCEPTABLE LEVELS OF PERFORMANCE

R 460.721 Duty to plan to avoid unacceptable levels of performance.
R 460.722 Unacceptable levels of performance during service interruptions.
R 460.723 Wire down relief requests.
R 460.724 Unacceptable service quality levels of performance.

PART 3. RECORDS AND REPORTS

R 460.731 Deadline for filing annual reports.
R 460.732 Annual report contents.
R 460.733 Availability of records.
R 460.734 Retention of records.

PART 4. FINANCIAL INCENTIVES AND PENALTIES

R 460.741 Approval of incentives by the commission.
R 460.742 Criteria for receipt of an incentive.
R 460.743 Disqualification.
R 460.744 Customer accommodation for failure to restore service after an interruption due to catastrophic conditions.
R 460.745 Customer accommodation for failure to restore service during normal conditions.
R 460.746 Customer accommodation for repetitive interruptions.
R 460.747 Multiple billing credits allowed.
R 460.748 Effect in other proceedings.

PART 5. WAIVERS AND EXCEPTIONS

R 460.751 Waivers and exceptions by electric utilities.
R 460.752 Proceedings for waivers and exceptions.

(Continued on Sheet No. B-13.00)

(Continued From Sheet No. B-12.00)

ADDITIONAL ADMINISTRATIVE RULES

*Waivers may have been granted by the Commission to the Cooperative for certain portions of the administrative rules below.

B10. PRACTICE AND PROCEDURE BEFORE THE COMMISSION (R 460.17101 - R 460.17701) **RESCINDED**

B11. FILING PROCEDURES FOR ELECTRIC, WASTEWATER, STEAM AND GAS UTILITIES (R 460.2011 - R 460.2031)

B12. RESIDENTIAL CONSERVATION PROGRAM STANDARDS (R 460.2401 - R 460.2414) **RESCINDED**

B13. PRESERVATION OF RECORDS OF ELECTRIC, GAS AND WATER UTILITIES (R 460.2501 - R 460.2582)

B14. UNIFORM SYSTEM OF ACCOUNTS FOR MAJOR AND NONMAJOR ELECTRIC UTILITIES (R 460.9001 – R 460.9019)

B15. RATE CASE FILING REQUIREMENTS FOR MAJOR ELECTRIC UTILITIES

(Continued on Sheet No. B-14.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE

(By authority conferred on the Board of Directors by 2008 PA 167, MCL 460.31)

PART 1. GENERAL PROVISIONS

R 460.101 Application of rules.

Rule 1. These rules apply to residential electric utility service that is subject to the jurisdiction of the Presque Isle Electric & Gas Board of Directors under PA 167.

R 460.102 Definitions.

Rule 2. As used in these rules:

(a) "Actual meter reading" means an electric meter reading that is based on the member's actual energy use during the period reported and that was performed by a Cooperative representative, by the member and communicated to the cooperative by mail, telephone, fax, on a secure cooperative website, or other reasonable means, or that was transmitted to the cooperative by an automated or remote meter reading device.

(b) "Applicant" means an emancipated minor or a person 18 years of age or older requesting residential utility service in person at the cooperative office, in writing, by telephone or fax machine, through the internet, or any other form of communication that allows the applicant to provide the information required by the cooperative.

(c) "Billing error" means an undercharge or overcharge that is caused by any of the following:

(i) An incorrect actual meter read by a cooperative representative.

(ii) An incorrect remote meter read.

(iii) An incorrect meter constant.

(iv) An incorrect calculation of the applicable rate.

(v) A meter switched by the cooperative or a cooperative representative.

(vi) An incorrect application of the rate schedule.

(Continued on Sheet No. B-15.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-14.00)

(vii) Another similar act or omission by the cooperative in determining the amount of a member's bill. An undercharge or overcharge that is caused by a non-registering meter, a meter error, or the use of an estimated meter read or a member read is not a billing error.

(d) "Billing month" means a natural gas or electric consumption period of not less than 26 or more than 35 days.

(e) "Billing specialist" means a representative of the cooperative who investigates and resolves meter reading discrepancies or errors.

(f) "Charges for tariff service" means the rates for electric service.

(g) "Collection charge" means a Board approved charge assessed for the costs associated with sending an employee or agent to a residence to collect a past due payment in lieu of shutoff of service.

(h) "Cooperative" means Presque Isle Electric & Gas Co-op.

(i) "Complaint determination" means the written decision of a hearing officer after an informal hearing.

(j) "Critical care member" means any member who requires, or has a household member that requires home medical equipment or a life support system, and who has provided appropriate documentation from a physician or medical facility to the utility identifying the medical equipment or life support system and certifying that an interruption of service would be immediately life-threatening.

(k) "Member" means a purchaser of electricity or natural gas that is supplied or distributed by the cooperative for residential purposes.

(l) "Cycle billing" means a system that renders bills for cooperative service to various members on different days of a calendar month.

(m) "Delinquent account" means an account with charges for cooperative service that remains unpaid at least 5 days after the due date.

(Continued on Sheet No. B-16.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-15.00)

(n) "Eligible low-income member" means a cooperative member whose household income does not exceed 150% of the federal poverty guidelines as published by the United States department of health and human services or who receives any of the following:

(i) Supplemental security income or low-income assistance through the department of human services or successor agency.

(ii) Food stamps.

(iii) Medicaid.

(o) "Eligible military member" means a cooperative member, spouse of a member, or member whose spouse is in the military who meets all of the following:

(i) Is on full-time active duty.

(ii) Is deployed overseas in response to a declared war or undeclared hostilities or is deployed within the United States in response to a declared national or state emergency and the household income is reduced as a result.

(iii) Notifies the cooperative of his or her eligibility.

(iv) Provides verification of eligibility if requested by the cooperative.

(p) "Eligible senior citizen member" means a cooperative member who meets all of the following criteria:

(i) Is 65 years of age or older.

(ii) Advises the cooperative of his or her eligibility.

(Continued on Sheet No. B-17.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-16.00)

(q) "Energy assistance program" means a program that provides financial assistance or assistance in improving residential energy efficiency and energy conservation.

(r) "Energy usage" means the consumption of electricity or natural gas.

(s) "Estimated bill" means a bill for service at the premises that is not based on an actual meter reading for the period being billed but that is based on calculations of how much gas or electricity a member used during the billing period.

(t) "Formal hearing request" means a document describing how the cooperative has violated a member's rights or these rules that is presented in writing to the cooperative.

(u) "Gas cost recovery" means the adjustment in rates to recognize the cost of purchased gas.

(v) "Hearing officer" means a notary public who is qualified to administer oaths to conduct informal member complaint hearings against the cooperative.

(w) "In dispute" means that a matter is the subject of an unresolved disagreement, claim, or complaint against the cooperative by a member, or the member's authorized agent.

(x) "Informal appeal" means an appeal of a complaint determination of a hearing officer to the Board of Directors.

(y) "Informal appeal decision" means the written decision of the regulation officer in regard to an informal appeal.

(z) "Informal complaint" means a matter that requires follow-up action or investigation by the cooperative.

(aa) "Inquiry" means a question regarding a utility matter that is asked by the member and answered by the cooperative.

(bb) "Late payment charge" means a finance, service, carrying, or penalty charge that is assessed by the cooperative because a bill or portion of a bill is delinquent.

(Continued on Sheet No. B-18.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-17.00)

(cc) "Medical emergency" means an existing medical condition of the member or a member of the member's household, as defined and certified by a physician or public health official on official stationary or cooperative-provided form, that will be aggravated by the lack of utility service.

(dd) "Meter error" means a failure to accurately measure and record all of the natural gas or electrical quantities used that are required by the applicable rate or rates.

(ee) "New member" means a member who has not received the cooperative's service within the previous 6 years.

(ff) "Peak season" means the months of November, December, January, February and March for natural gas service or electric space heating and June, July and August for other electric service.

(gg) "Positive identification information" means a consistently used appropriate identification such as, but not limited to, a driver's license or ID card issued by a state, U.S. military card or military dependent's ID card, Native American tribal document, or passport.

(hh) "Power supply cost recovery" means the adjustment in rates to recognize the cost of purchased power and fuel for electric generation.

(ii) "Previous member" means a member who has received the cooperative's service within the previous 6 years but is not currently receiving service.

(jj) "Regulation officer" means a member of the cooperative staff who resolves complaints in accordance with these rules.

(kk) "Remote shutoff or restoration capability" means the ability to terminate or restore service to a premises from another location.

(ll) "Residential service or use" means the provision or use of electricity or natural gas for residential purposes.

(mm) "Satisfactory payment history" means that a member's account was not delinquent more than 1 time in the past 12 months.

(Continued on Sheet No. B-19.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-18.00)

(nn) "Seasonally billed member" means a member who is billed on a seasonal basis in accordance with a utility tariff that is approved by the Board of Directors.

(oo) "Settlement agreement" means a documented agreement that is entered into by a member and the cooperative and that resolves any matter in dispute or provides for the payment of amounts not in dispute over a reasonable period of time.

(pp) "Shutoff of service" means a discontinuance of utility service that is not requested by a member.

(qq) "Space heating season" means the period between November 1 and March 31.

(rr) "Termination of service" means a discontinuance of utility service that is requested by a member.

(ss) "Unauthorized use of utility service" means theft, fraud, interference, or diversion of service, including but not limited to meter tampering (any act which affects the proper registration of service through a meter), by-passing (unmetered service that flows through a device connected between a service line and member-owned facilities), and service restoration by anyone other than the cooperative or its representative.

(tt) "Utility" means a person, firm, corporation, cooperative, association, or other legal entity that that provides electric service for residential use.

(uu) "Weather adjusted consumption data" means a member's monthly energy usage divided by the number of heating or cooling degree days for that month.

R 460.103 Discrimination prohibited.

Rule 3. The cooperative shall not discriminate against or penalize a member for exercising any right granted by these rules.

R 460.104 Conduct of proceedings. This section is deleted.

(Continued on Sheet No. B-20.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-19.00)

R 460.105 Additional rules.

Rule 5. The cooperative may adopt additional rules governing relations with its members that are reasonable and necessary and that are consistent with these rules. The cooperative's rules shall be an integral part of its tariffs and shall be subject to approval by the Cooperative's Board of Directors. If there is a conflict between these rules and a utility's rules or tariffs, these rules govern.

PART 2. APPLICATION FOR SERVICE

R 460.106 Service requests for new or previous members.

Rule 6. (1) Applicants for service may become new members by requesting service in person at the utility company office, in writing, by telephone, fax, or internet, or other means of communication. Using any of these methods, an applicant shall do both of the following:

(a) Provide positive identification information as defined in R 460.102.

(b) Pay a deposit, if required by R 460.109 or R 460.110.

(2) The cooperative may also require payment of a delinquent account as a condition of providing or continuing service if the following conditions apply:

(a) The delinquent account is in the member's or applicant's name.

(b) The delinquent account is not in dispute, owed to the cooperative, and accrued within the last 6 years. The cooperative shall provide the applicant with information on the process to refute or contest the delinquent account.

R 460.107 Applicant information.

Rule 7. (1) The cooperative may request but shall not require anyone other than the applicant to assume responsibility for service. The cooperative shall permit more than 1 name on the application if requested by the member and agreed to by the second party.

(2) If the applicant is renting the premises for which service is requested, the cooperative may require proof that the applicant is a tenant. Written or oral confirmation by the manager, landlord, or owner of the property, or a verified signed copy of the rental agreement is sufficient proof. An applicant may verify a lease by submitting a lease agreement containing notarized signatures of the landlord and tenant or by providing the cooperative with contact information for the landlord.

(Continued on Sheet No. B-21.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-20.00)

PART 3. DEPOSITS AND GUARANTEE TERMS AND CONDITIONS

R 460.108 Prohibited practices.

Rule 8. The cooperative shall not require a deposit or other guarantee as a condition of new or continued utility service based upon any of the following:

(a) Consumer credit score, if the customer or applicant has prior utility service credit history with any electric or gas provider during the previous 6 years.

(b) Income.

(c) Home ownership.

(d) Residence location.

(e) Race.

(f) Color.

(g) Creed.

(h) Sex.

(i) Age.

(j) National origin.

(k) Marital status.

(l) Familial status.

(m) Disability.

(n) Any other criteria not authorized by these rules.

(Continued on Sheet No. B-22.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd From Sheet No. B-21.00)

R 460.109 Deposit for new member.

Rule 9. (1) The cooperative may require a deposit as a condition of providing service to a new member if any of the following provisions apply:

(a) At the time of the request for service, the applicant has a delinquent bill with any electric or gas provider that accrued within the last 6 years and that remains unpaid and is not in dispute.

(b) The applicant misrepresents his or her identity or credit standing.

(c) The applicant fails to provide positive identification information upon request at the time of applying for new service.

(d) The applicant requests service for a location at which he or she does not reside.

(e) The applicant engaged in unauthorized use of utility service within the last 6 years, provided that the finding of unauthorized use of utility service was made after notice and an opportunity for a hearing and is not in dispute.

(f) Within the past 3 years, the applicant lived in a residence with a person who accrued a delinquent account for electric or gas service to the shared residence, during the time the applicant lived there, which remains unpaid and is not in dispute, and the person with the delinquent account now resides with the applicant. The cooperative will advise the applicant of the process by which the applicant can refute this claim.

(g) The applicant has sought relief under federal bankruptcy laws within the last 6 years.

(2) Notwithstanding any of the provisions of subrule (1) of this rule, the cooperative shall not require a deposit as a condition of providing service to a new member if any of the following provisions apply:

(a) The department of human services or its successor agency is responsible for making payments to the cooperative on behalf of the applicant.

(b) The applicant secures a guarantor who is a member in good standing with the cooperative.

(c) The applicant is 65 years of age or older and has a satisfactory payment history for the past 3 years with any gas or electric provider.

(Continued on Sheet No. B-23.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-22.00)

R 460.110 Deposit for a previous member or for continued service.

Rule 10. (1) The cooperative may require a deposit as a condition of providing or restoring service to a previous member or continuing service to a current member if any of the following provisions apply:

(a) At the time of the request for service, the member or applicant has a prior service account that is delinquent, that accrued within the last 6 years, and that remains unpaid and is not in dispute or if litigation was required to obtain full payment of a utility account that was not in dispute.

(b) The member or applicant misrepresents his or her identity or credit standing.

(c) The member or applicant fails to provide positive identification information upon request at the time of applying for service.

(d) The member or applicant engaged in unauthorized use of utility service within the last 6 years, if the finding of unauthorized use of utility service was made after notice and an opportunity for a hearing under these rules and is not in dispute.

(e) The cooperative has shut off service to the member for nonpayment of a delinquent account that is not in dispute.

(f) The cooperative has had 1 or more checks issued from the member's account returned from a financial institution for insufficient funds or no account or has had 1 or more payments from the member's debit or credit card or other form of payment denied within the last 12 months, excluding financial institution error.

(g) The applicant has sought relief under federal bankruptcy laws within the last 6 years.

(h) Within the past 3 years, the applicant lived in a residence with a person who accrued a delinquent account for electric or gas service to the shared residence, during the time the applicant lived there, which remains unpaid and is not in dispute, and the person with the delinquent account now resides with the applicant. The cooperative shall advise the applicant of the process by which the applicant can refute this claim.

(2) Notwithstanding any of the provisions of subrule (1) of this rule, the cooperative shall not require a deposit as a condition of providing service to a previous member or continuing service to a current member if one of the following provisions applies:

(Continued on Sheet No. B-24.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-23.00)

(a) The department of human services or its successor agency is responsible for making payments to the cooperative on behalf of the applicant.

(b) The member or applicant secures a guarantor who is a member in good standing with the utility.

(c) The applicant is 65 years of age or older and has a satisfactory payment history with any gas or electric provider for the past 3 years.

R 460.111 General deposit conditions.

Rule 11. (1) All of the following apply to payment of deposits:

(a) For a primary residence, a deposit that is required under these rules due to a prior outstanding account that is not in dispute or a shutoff for nonpayment shall not be more than twice the average monthly bill for the premises or, if the current member's consumption history for the premises is unavailable, twice the cooperative's system average monthly bill for residential service.

(b) For seasonal properties, a deposit that is required under these rules due to a prior outstanding account that is not in dispute or a shutoff for nonpayment shall not be more than twice the average monthly bill for peak season usage.

(c) The cooperative shall offer an eligible low-income member the option of paying a deposit required under these rules in 2 monthly installments.

(2) Whenever the cooperative requests a deposit because of an unpaid account incurred in another household member's name for a time when the member and the other person shared a residence, as described in R460.109(f) or R 460.110(i), the cooperative shall provide the member with notice of the reason for the request, the rule that allows the cooperative to make the request, and the process for refuting the action.

(3) A deposit that is required during the space heating season due to a disconnect for nonpayment within the past 12 months, shall not exceed the cooperative system average monthly gas bill for gas service or the cooperative system average monthly electric bill for electric service. If the member receives gas and electric service from a combination utility, the deposit shall not exceed the total of the cooperative's combined system average monthly gas and electric bills.

(Continued on Sheet No. B-25.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-24.00)

(4) A deposit that is required as a condition of providing, restoring, or continuing service due to unauthorized use of utility service shall not be more than 4 times the average peak season monthly bill for the premises or 4 times the cooperative's system average peak season monthly bill for residential service if the member's consumption history for the premises is unavailable. The cooperative may also require payment of the delinquent account and approved charges as a condition of providing, restoring, or continuing service if the account is in the member's, or applicant's name, is delinquent, owed to the cooperative, and accrued within the last 6 years.

(5) Unless the applicant misrepresents his or her identity or credit standing or fails to provide positive identification information, if requested, at the time of applying for service, the cooperative shall not assess a deposit if the customer has been in service for 30 days or more.

(6) Except in the case of unauthorized use of utility service, if the cooperative shuts off service for nonpayment, the cooperative shall not require a deposit as a condition of restoring service unless the cooperative offered the member, prior to shutoff for nonpayment, the opportunity to enter into a settlement agreement as provided in Part 10 of these rules.

(7) The cooperative will pay simple interest to each member who is required to make a deposit for the time the deposit is held by the cooperative. The interest rate will be the rate paid on United States savings bonds, series EE, as of the first business day of the calendar year. The cooperative will credit interest semiannually to the service account of the member or pay it upon the return of the deposit, whichever occurs first.

(8) The member's credit shall be established and the cooperative shall return the deposit and accrued interest upon satisfactory payment by the member of all proper charges for utility service for a period of 12 consecutive months. The cooperative may retain the deposit assessed because of unauthorized use of utility service for a period of 36 months and shall refund the deposit upon satisfactory payment of the final 12 months' charges.

(9) For purposes of this rule, payment is satisfactory if it is made before the issuance of a notice of shutoff of service for nonpayment that is not in dispute or within 5 days after the issuance of the next succeeding monthly bill, whichever is sooner.

(10) For members terminating service, if the cooperative has not already returned the deposit, the cooperative shall credit the deposit, with accrued interest, to the final bill. For members continuing to receive service, the cooperative may apply the deposit against an existing arrearage that is not in dispute. The cooperative shall promptly return the balance to the member.

(Continued on Sheet No. B-26.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-25.00)

(11)The cooperative shall maintain a detailed record of all deposits received from members. The record shall show all of the following information:

(a) The name of the residential member.

(b) The location of the premises occupied by the member at the time of making the deposit and each successive location while the deposit is retained.

(c) The date the member made the deposit and the amount.

(d) The dates the utility paid interest and the amounts.

(e) Place of payment.

(f) The terms and conditions governing the return of the deposit.

(12) The cooperative shall provide the member with a written receipt for the deposit and instructions regarding how a member who is entitled to the return of his or her deposit may obtain the deposit.

(13) The cooperative shall make reasonable efforts to locate members with unclaimed deposits or credits.

(14) The cooperative shall apply deposit standards uniformly to all members. The cooperative shall provide to any member who objects to paying a deposit information on the process to contest the deposit requirement.

R 460.112 Guarantee terms and conditions.

This rule is deleted.

(Continued on Sheet No. B-27.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-26.00)

PART 4. METER READING PROCEDURES, METER ACCURACY, METER ERRORS AND RELOCATION

R 460.113 Actual and estimated meter reading.

Rule 13. (1) Except as specified in this rule, the cooperative shall provide all residential members with an actual monthly meter reading as defined in R 460.102. The c o operative may estimate a meter reading only if an actual meter reading cannot be obtained by any reasonable or applicable method described in R 460.102. If the cooperative cannot obtain an actual meter reading, then the cooperative shall maintain records of the efforts made to obtain an actual meter reading and its reasons for failure to obtain an actual meter reading.

(2) The cooperative may estimate member bills only upon a finding by the Cooperative's Board of Directors that a utility's estimated bill procedures assure reasonable billing accuracy. A bill that is rendered on an estimated basis shall be clearly and conspicuously identified as such. Any substantive changes to the cooperative's billing estimation procedures shall be submitted to the Cooperative's Board of Directors for approval.

(3) Notwithstanding the provisions of subrule (1) of this rule, the cooperative may render estimated bills to seasonally billed members in accordance with tariffs approved by the Board of Directors.

(4) If the cooperative estimates a member's bill for 2 or more consecutive months, when an actual meter read is obtained the cooperative shall offer the member the opportunity to pay the bill over the same number of months as consecutively estimated bills. This subrule shall not apply if the cooperative cannot obtain access to the meter and the member fails to provide a meter reading if requested by the cooperative.

(5) An estimated bill that is generated because the actual read is outside the range for the premises usage shall not be issued in consecutive months. If the cooperative is actively engaged in resolving the problem, an additional 30 days is permitted to correct the problem and obtain an actual meter reading.

(6) If the cooperative shuts off service due to non-payment, the cooperative must complete a final read or, if unable to obtain an actual read after reasonable attempts, the cooperative may estimate the bill.

Rule 460.114 Company representative identification.

Rule 14. Upon request, the cooperative representative reading the meter shall provide the member or other household member with appropriate picture identification confirming the representative's employment with the cooperative.

(Continued on Sheet No. B-28.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-27.00)

R 460.115 Member meter reading.

Rule 15. The cooperative shall provide each member with the opportunity to read and report energy usage provided the member accurately reports energy usage on a regular basis. The cooperative shall provide postage-paid, pre-addressed postcards for this purpose upon request, or the cooperative may permit members to report meter readings on a secure cooperative website, by telephone, or other reasonable means. At least once every 12 months, the cooperative shall obtain an actual meter reading of energy usage to verify the accuracy of readings reported in this manner. Notwithstanding the provisions of this rule, a cooperative representative may read meters on a regular basis.

R 460.116 Meter accuracy, meter errors, meter relocation.

Rule 16. (1) Meters with actual readings that are rejected by the cooperative billing system for 2 consecutive months because they are outside the expected range of the member's usage for the premises shall be reviewed by a billing specialist, investigated, and, if necessary, the meter shall be repaired or replaced.

(2) Meters recording usage inaccurately shall be repaired or replaced by the cooperative. Any meter in service that remains broken as determined by a specific test of the meter or that does not correctly register member usage for a period of 6 months or more shall be removed and members will not be required to pay bills generated from these meter readings beyond the 6-month period from the date the meter malfunction occurred. This rule does not alter the provisions of R 460.3613 governing the testing and replacement of electric meters and R 460.2353 governing the replacement of gas meters.

(3) Overcharges and undercharges due to gas meter errors and electric meter errors shall be reconciled in accordance with the provisions of R 460.2364 of the technical standards for gas service and the provisions of R 460.3403 of the regulations governing technical standards for electric service, respectively.

(4) The cooperative may assess a meter relocation charge in any of the following situations:

(a) The cooperative shut off service by disconnection at the street or pole because the cooperative could not obtain access to the meter.

(b) The member or another responsible adult refused to permit the cooperative access to the meter on 2 separate occasions, or on a single occasion if harm is threatened, and the cooperative can produce documentation of requests for access and/or requests for the member to perform a meter reading that were refused.

(Continued on Sheet No. B-29.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-28.00)

(c) The cooperative shut off service due to unauthorized use of utility service or the member acknowledges personal responsibility and the cooperative bills the member for unauthorized use of utility service.

(d) The member requests that the cooperative relocate the meter.

(5) If the cooperative moves the meter for reasons other than the reasons listed under subrule (4) of this rule, and the member wants the meter placed in a different location than that selected by the cooperative, then the member shall pay any additional costs.

PART 5. BILLING AND PAYMENT STANDARDS

R 460.117 Billing frequency; method of delivery.

Rule 17. (1) The cooperative shall send a bill each billing month to its members in accordance with approved rate schedules unless the cooperative and the member agree to another billing interval. The cooperative shall send a bill to members by mail unless the cooperative and the member agree to another method of delivery. The cooperative that is authorized to seasonally bill members or to use a member read system shall send a bill in accordance with the tariffs approved by the Board of Directors.

(2) The member may designate a third party to receive bills, shutoff notices, or other communications from the cooperative on the member's behalf if the member submits a document signed by the member and the designated third party to the cooperative. The receipt of bills by a third party does not make that party responsible for the bills.

(3) Members who use online billing and payment shall have the same rights and responsibilities as members who use paper bills and payment by US mail.

R 460.118 Equal monthly billing.

Rule 18. Upon member request, the cooperative shall bill a member with a satisfactory payment history under an equal monthly billing program, if the Board of Directors finds that the billing program assures reasonable billing accuracy. If a member has a credit balance of more than $10.00 at the end of the program year, upon the request of the member, the cooperative shall either return the credit balance or credit it to the next month's bill. If the balance is less than $10.00, the cooperative shall credit the amount to the member's account.

(Continued on Sheet No. B-30.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-29.00)

R 460.119 Cycle billing.

Rule 19. The cooperative may use cycle billing if each member receives a bill on or about the same day of each billing month. If the cooperative changes meter reading routes or schedules by more than 7 days, it shall provide notice to affected members at least 10 days before making the change.

R 460.120 Payment of bill.

Rule 20. (1) The cooperative shall permit each member a period of not less than 21 days from the date the bill was sent to pay in full, unless the member specifically designates a different payment date. The cooperative shall not withdraw funds from a member account before the due date in cases where a member uses an automatic bill payment plan unless the member agrees to a different period.

(2) The cooperative shall not attempt to recover from any member any outstanding bills or other charges due upon the account of any other person unless that person has entered into another lawful agreement to pay those bills and charges.

(3) The member has the right to pay any delinquent bill at any time prior to disconnection in order to preserve uninterrupted service. After proper notice of shutoff under R 460.138 and R 460.141 has been provided, it shall be the member's responsibility to contact the cooperative and arrange payment before disconnection.

(4) The cooperative may authorize payment agents to accept payments on behalf of the utility. The authorized agents shall accept payment and provide payment verification, without request, that may be used by the member to verify payment with the cooperative. The payment verification shall clearly state that the payment may not be credited to the member's account for up to 2 business days. The payment verification shall also clearly state any charges or fees for use of the payment agent services. The agent shall remit payments to the cooperative every other business day, at minimum, and the cooperative shall credit those payments to member accounts within 1 business day of receiving them from the payment agent. Payment agent locations shall be clearly marked as "Authorized Payment Agent for [Cooperative]". The cooperative shall provide information on bills every 6 months warning customers not to use unauthorized payment centers.

(5) A combination utility cooperative shall permit eligible low-income customers, as defined by these rules, to designate how partial payments shall be applied to their account. In the event of disconnection or pending disconnection of both gas and electric services, the cooperative shall provide the eligible low-income customer with an accounting of the member's current gas and electric charges and shall give the member the option of restoring one or both services with the appropriate payment.

(Continued on Sheet No. B-31.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-30.00)

(6) Whenever an eligible low-income member of a combination utility cooperative receives a disconnect notice, the notice shall clearly show the member has both of the following options:

(a) An extended payment plan for both gas and electric service.

(b) An extended payment plan to retain either gas or electric service as chosen by the member.

R 460.121 Payment period.

Rule 21. (1) The date a bill is sent is the date the cooperative transmits the billing information to the member. If the last day for payment falls on a Sunday, legal holiday, or other day when the offices the cooperative regularly uses for the payment of member's bills are not open to the general public, the payment date shall be extended through the next business day.

(2) If a member fails to make full payment by the due date, the cooperative may begin to implement its collection practices including the use of automated telephone calls reminding the member or a third party designated under R 460.117(2) that the bill is past due. Neither the cooperative nor its agents shall make more than 1 call per day to a specific member or third party in which contact is made with the member or third party.

R 460.122 Allowable charges.

Rule 22. (1) Except as otherwise provided by statute, the cooperative shall bill each member for the amount of natural gas or electricity consumed and any other approved charges in accordance with the rates and tariffs approved by the Board of Directors.

(2) The cooperative may assess a late payment charge that is not more than 2%, not compounded, of the portion of the bill, net of taxes, that is delinquent. The cooperative shall not assess a late payment charge against a member whose payments are made by the department of human services or who is participating in a shutoff protection program described in Part 9 of these rules.

(3) The cooperative may not charge a late payment fee for failure to pay an estimated bill by the due date unless the member is subsequently delinquent on a bill using an actual read. This rule shall not apply if the bill is estimated because the cooperative was unable to gain access to the meter, the cooperative's lack of access is documented, and the member refused to provide an actual meter reading.

(Continued on Sheet No. B-32.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-31.00)

R 460.123 Bill information.

Rule 23. (1) A bill that is transmitted by the cooperative shall state clearly all of the following information:

(a) The beginning and ending meter readings and dates for the billing period. A member reading his or her own meter shall be encouraged, but not required, to provide this information. The provisions of this rule do not apply if the information is not provided by the member.

(b) The units of energy consumed during the billing period and the units of energy consumed during the comparable period the prior year. Upon member request, the cooperative shall provide weather-adjusted consumption data to the member or to a third-party designated by the member.

(c) A designation of the rate.

(d) The due date.

(e) Any previous balance.

(f) The amount due for energy usage.

(g) The amount due for other authorized charges.

(h) The amount of tax.

(i) The total amount due.

(j) That the rate schedules, the explanation of rate schedules, and the explanation of how to verify the accuracy of the bill will be provided by the cooperative upon request.

(k) That the member should contact the cooperative regarding an inquiry or complaint about the bill before the due date.

(l) The address and telephone number of the cooperative at which the member may initiate any inquiry or complaint regarding the bill or the service provided by the cooperative.

(m) That the cooperative is member regulated.

(Continued on Sheet No. B-33.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-32.00)

(2) A member-regulated cooperative proposing a new bill format shall submit its proposed bill format to the Board of Directors prior to introduction to its members.

(3) Any utility wishing to issue billing statements online shall comply with each of the following requirements:

(a) A member shall not be required to use online billing.

(b) No enrollment or usage fees shall be assessed to a member who chooses to receive bills or member information online.

(c) The online billing statement shall include, at minimum, all information listed in subrule (1) of this rule.

(d) The company shall maintain a secure and encrypted site to be accessed by the member of record after completing the secure registration process.

(e) The cooperative may require that the member use a password or security question to access the online billing system. The cooperative shall not require the member to use his or her social security number to enroll in or access the billing system.

(f) Any fees to accept online payments shall be clearly displayed in the payment window.

(g) Any payment made online shall be treated as a payment to the cooperative business office.

(h) Use of the online system shall not restrict the member in using other payment methods. All other payment methods shall continue to be available to the member.

R 460.124 Separate bills.

Rule 24. (1) The cooperative shall transmit a separate bill in conformity with the provisions of R 460.123 for service provided at each service location and shall not combine 2 or more accounts without written authorization of the member.

(2) Notwithstanding the provisions of subrule (1) of this rule, if there is shutoff or termination of service at a separate residential metering point, residence, or location in accordance with these rules, then the cooperative may transfer an unpaid balance to any other residential service account of the member. The cooperative must have valid identification data that shows the member is the same at both residences and must present that data to the member upon request.

(Continued on Sheet No. B-34.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-33.00)

(3) Whenever the cooperative consolidates accounts under subrule (2) of this rule, the cooperative shall provide the member with a written notice for the consolidation, the rule that allows the consolidation, and the process for refuting the action.

R 460.125 Billing for non-tariff services.

Rule 25. The cooperative may include charges for unregulated services, such as appliance repair or appliance protection programs, together with charges for gas and electric service on the same monthly bill if the charges for the unregulated services are designated clearly and separately from the charges for the gas or electric service and it is noted that it is an unregulated service. Failure to pay for unregulated service charges may result in the termination of that service but not the termination of the gas or electric service. If partial payment is made, the cooperative shall first credit payment to the balance outstanding for gas or electric service in accordance with the provisions of R 460.120(5) and R 460.120(6) where applicable.

R 460.126 Billing error.

Rule 26. (1) If the cooperative overcharges a member due to a billing error, the cooperative shall refund or credit the amount of the paid overcharge plus interest on the bill immediately following the discovery of the error. Upon member request, overcharges greater than $10 shall be refunded within 30 days. The cooperative is not required to adjust, refund, or credit an overcharge plus interest for more than the 3 years immediately preceding discovery of the billing error, unless the member is able to establish an earlier date for commencement of the error. The interest on the overcharge shall be applied on the 60th day following the paid overcharge and shall be calculated at the rate paid for United States savings bonds, series EE, as of the first business day of the calendar year.

(2) If the cooperative undercharges a member, the following provisions apply:

(a) In cases that involve unauthorized use of utility service the cooperative may backbill the member for the amount of the undercharge using the approved process for estimating the bill. The cooperative may charge fees for unauthorized use of utility service in accordance with approved tariffs.

(b) In cases that do not involve unauthorized use of utility service, the cooperative may backbill the member for the amount of the undercharge during the 12-month period immediately preceding discovery of the error, and the cooperative shall offer the member reasonable payment arrangements for the amount of the backbill, which shall allow the member to make installment payments over a period at least as long as the period of the undercharge. The cooperative shall take into account the member's financial circumstances when setting payment amounts

(Continued on Sheet No. B-35.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-34.00)

PART 6. VOLUNTARY TERMINATION OF SERVICE

R 460.127 Voluntary termination.

Rule 27. (1) Subject to the provisions of these rules, a cooperative member or authorized representative shall do all of the following:

(a) Notify the cooperative in person, or by telephone, in writing, by fax or on the internet at least 10 business days prior to requested service termination.

(b) Allow access to the cooperative, if necessary, to perform a final meter read.

(c) Provide an address for final billing at the time of request for a final read.

(2) The cooperative shall do both of the following:

(a) Provide a final actual meter reading within 10 business days of the request for termination or estimate the final reading and offer the member the option to provide an actual meter reading. If the meter is not read within the 10-day time frame the cooperative shall document the reason for no actual reading. An actual meter reading shall be obtained by the next normal reading cycle.

(b) Schedule the member's final reading within a 4-hour time frame if the cooperative cannot access the meter.

PART 7 UTILITY PROCEDURES

R 460.128 Applicability.

Rule 28. These procedures apply to all member inquiries, service requests, and complaints that are made to the cooperative regarding residential utility service and charges.

R 460.129 Complaint procedures.

Rule 29. (1) The cooperative shall establish procedures that will ensure the prompt, efficient, and thorough receipt, investigation, and, where possible, resolution of all member inquiries, service requests, and complaints and report the resolution of complaints to the Board.

(Continued on Sheet No. B-36.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-35.00)

(2) The cooperative shall make reasonable attempts to contact the member within 2 business days, after referral of a member's complaint from the Board of Directors, and will develop and report to the Board within 30 days after referral its plan for resolution of the complaint.

(3) The cooperative shall provide members who are not satisfied with the cooperative's resolution of a complaint or inquiry with the toll-free telephone number of the Cooperative's CEO and contact information for the Board of Directors.

(4) The cooperative shall obtain approval from the Board of Directors of any substantive changes in its procedures.

R 460.130 Personnel procedures.

Rule 30. The cooperative shall establish personnel procedures that, at a minimum, ensure all of the following:

(a) That qualified personnel are available and prepared at all times during normal business hours to receive and respond to all member inquiries, service requests, and complaints. The cooperative shall make the necessary arrangements to ensure that members who are unable to communicate in the English language receive prompt and effective assistance.

(b) That qualified personnel who are responsible for, and authorized to enter into, written settlement agreements on behalf of the cooperative are available at all times during normal business hours to respond to member inquiries and complaints.

(c) That qualified personnel are available at all times to receive and respond to member contacts regarding any shutoff of service and emergency conditions that occur within the cooperative's service area.

(d) That the names, addresses, and telephone numbers of personnel who are designated and authorized to receive and respond to the requests and directives of the Board of Directors regarding members inquiries, service requests, and complaints during business hours are current and readily available to the Board of Directors. The cooperative shall also provide a contact for emergency situations that may arise after business hours.

(Continued on Sheet No. B-37.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-36.00)

R 460.131 Publication of procedures.

Rule 31. (1) The cooperative shall prepare a pamphlet that, in easily understood terms, summarizes the rights and responsibilities of its members in accordance with these rules and other applicable provisions of statutes, rules, and tariffs.

(2) The cooperative shall display the pamphlet prominently at all cooperative office locations open to the general public and make it available to members. The cooperative shall also make the information available on its website. The cooperative shall transmit the pamphlet to each new member upon the commencement of service and shall provide it at all times upon request. Where substantial revisions to or new information required by the provisions of subrule (3) of this rule occur, the cooperative shall provide the changes to all current members by a bill insert, revised pamphlet, or by publication in a periodical that is sent to all current members of the utility. The form of this transmittal shall be at the discretion of the cooperative.

(3) The pamphlet or other publication shall contain all of the following information:

(a) Billing procedures and estimation standards.

(b) Methods for members to verify billing accuracy.

(c) An explanation of the power supply cost recovery or gas cost recovery procedures.

(d) Member payment standards and procedures.

(e) Security deposit and guarantee standards.

(f) Shutoff and restoration of service procedures.

(g) Inquiry, service, and complaint procedures.

(h) Procedures for terminating service.

(4) Each pamphlet shall indicate conspicuously that the pamphlet is provided in accordance with the rules of the Board of Directors.

R 460.132 Access to rules and rates.

Rule 32. (1) A rural electric cooperative shall provide to each member, at least annually, all of the following information:

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-37.00)

(a) A notice that complete rate schedules are available upon request.

(b) A notice that a clear and concise explanation of all rates for which that member may be eligible is available upon request.

(c) A notice of the availability of cooperative assistance in determining the most appropriate rate if the member is eligible to receive service under more than 1 rate.

(2) The cooperative will provide to each member, within reasonable time after it has proposed a general rate adjustment or a times interest earned ratio ratemaking adjustment, all of the following information:

(a) A notice that the cooperative's Board of Directors is considering an adjustment to the rates.

(b) A notice that copies of the cooperative's rate adjustment proposal are available for inspection at all offices of the cooperative.

(c) A notice that an explanation of the proposed adjustment to the cooperative's rates is available from the cooperative upon request.

(3) The cooperative shall provide the notice required by the provisions of this rule either through a publication that is transmitted to each of its members, by a bill insert, or whatever transmission method is used to provide the member's bill and on its website.

(4) The cooperative shall keep on file, at all offices of the cooperative, and shall provide public access to, all of the following documents:

(a) A copy of these rules.

(b) A copy of all other rules of the utility approved by the Board of Directors regarding member service.

(c) Schedules of all residential rates and charges.

(d) Proposed rate schedules.

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-38.00)

(e) Clear and concise explanations of both existing and proposed rate schedules.

(f) An explanation of its power supply cost recovery or gas cost recovery process.

(5) The cooperative shall post suitable signs in conspicuous locations at all bill payment offices that are operated by the cooperative or authorized agents calling attention to the fact that the rules, regulations, rate schedules, proposed rate schedules, explanations of rate schedules, and explanations of proposed rate schedules are on file and available for inspection. Upon request, the cooperative shall provide a copy of these rules, explanations, or schedules to a member without charge.

R 460.133 Reporting requirements.

Rule 33. The cooperative shall file with the with the Board of Directors upon request, a report that contains detailed information concerning all of the following:

(a) The payment performance of its members in relation to established due and payable periods.

(b) The number and general description of all complaints registered with the cooperative.

(c) The number of shutoff notices issued by the cooperative and the reasons for the notices.

(d) The number of hearings held by the cooperative, the types of disputes involved, and the number of complaint determinations issued.

(e) The number of written settlement agreements entered into by the cooperative.

(f) The number of shutoffs of service and the number of reconnections.

(g) Any other member service quality information requested by the Board of Directors.

R 460.134 Inspection.

This rule has been deleted.

R 460.135 Member access to consumption data.

Rule 35. The cooperative shall provide to each member, upon request, a clear and concise statement of the member's actual energy usage, and/or weather adjusted consumption data for each billing period during the last 12 months. The cooperative shall notify its members at least once each year by whatever method is used to transmit the members' bills, that a member may request energy usage and weather adjusted consumption data.

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-39.00)

PART 8. PROCEDURES FOR SHUTOFF AND RESTORATION OF SERVICE

R 460.136 Emergency shutoff.

Rule 36. Notwithstanding any other provision of these rules, the cooperative may shut off service temporarily for reasons of health or safety or in a state or national emergency. When the cooperative shuts off service for reasons of health or safety, the cooperative shall leave a notice at the premises in accordance with the provisions of R460.139(a), (b), and (i).

R 460.137 Shutoff permitted.

Rule 37. Subject to the requirements of these rules, the cooperative may shut off or terminate service to a residential member for any of the following reasons:

(a) The member has not paid a delinquent account that accrued within the last 6 years.

(b) The member has failed to provide a deposit or guarantee permitted by these rules.

(c) The member has engaged in unauthorized use of utility service.

(d) The member has failed to comply with the terms and conditions of a settlement agreement.

(e) The member has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises, or for the removal of a meter.

(f) The member misrepresented his or her identity for the purpose of obtaining utility service or put service in another person's name without permission of the other person.

(g) The member has violated any rules of the cooperative approved by the Board of Directors so as to adversely affect the safety of the member or other persons or the integrity of the utility system.

(h) A person living in the member's residence is both of the following:

(i) Has a delinquent account for service with the cooperative within the past 3 years that remains unpaid and is not in dispute.

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-40.00)

(ii) The member lived in the person's residence when all or part of the debt was incurred. The cooperative may transfer a prorated amount of the debt to the member's account, based upon the length of time that the member resided at the person's residence. This provision does not apply if the member was a minor while living in the person's residence.

R 460.138 Notice of shutoff.

Rule 38. (1) The cooperative shall not shut off service pursuant to the provisions of R 460.141 or R 460.142 unless it sends a notice to the member by first-class mail or personally serves the notice not less than 10 days before the date of the proposed shut off. The cooperative shall send notice to the account name and address and to the address where service is provided if the service address is different and the notice can be delivered at that address. The cooperative shall maintain a record of the date the notice was sent.

(2) The cooperative shall permit a member to designate a consenting individual or agency to receive a copy of a notice of shutoff.

(3) Not less than 30 days before the proposed shutoff of service to a single-metered dwelling that is used as a residence for 3 or more separate households, the cooperative shall transmit a notice to each dwelling unit that indicates that the member of record, the landlord, has failed to pay an outstanding bill and is subject to shutoff of service on or after a specified date.

R 460.139 Form of notice.

Rule 39. A notice of shutoff of service shall contain all of the following information:

(a) The name and address of the member, and the address at which service is provided, if different.

(b) A clear and concise statement of the reason for the proposed shutoff of service.

(c) The date on or after which the cooperative may shut off service, unless the member takes appropriate action.

(d) That the member has the right to enter into a settlement agreement with the cooperative if the claim is for an amount that is not in dispute and the member is presently unable to pay in full.

(e) That the member has the right to file a complaint disputing the claim of the cooperative before the proposed date of the shutoff of service.

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-41.00)

(f) That the member has the right to request a hearing before a hearing officer if the member disputes the reasonableness of the settlement agreement offered by the cooperative or if the complaint cannot be otherwise resolved and that the member must pay to the utility that portion of the bill that is not in dispute within 10 business days of the date that the member requests a hearing.

(g) That the member has the right to represent himself or herself, to be represented by counsel, or to be assisted by other persons of his or her choice in the complaint process.

(h) That the cooperative will not shut off service pending the resolution of a complaint that is filed with the utility, its CEO or the Board of Directors in accordance with these rules.

(i) The telephone number and address of the cooperative where the member may make inquiry, enter into a settlement agreement, or file a complaint.

(j) That the member should contact a social services agency immediately if the member believes he or she might be eligible for an energy assistance program or other emergency economic assistance and should inform the cooperative of any efforts being made to obtain payment assistance.

(k) That members who believe they may be eligible for assistance from an energy assistance program should determine if assistance is available before signing a settlement agreement because many Agencies will not provide assistance if shutoff is avoided by signing a settlement agreement.

(l) That the cooperative will postpone the shutoff of service if a certified medical emergency exists at the member's residence or the member is an eligible low-income member who is actively seeking emergency assistance from an energy assistance program.

(m) That the cooperative may require a deposit and restoration charge if the cooperative shuts off service for nonpayment of a delinquent account or for unauthorized use of utility service.

(n) That the member should contact the cooperative for information about a shutoff protection program.

(Continued on Sheet No. B-44.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-42.00)

R 460.140 Time of shutoff.

Rule 40. (1) Subject to the requirements of these rules, the cooperative may shut off service to a member on the date specified in the notice of shutoff or at a reasonable time following that date. If the cooperative does not shut off service and mails a subsequent notice, then the cooperative shall not shut off service before the date specified in the subsequent notice. Shutoff shall occur only between the hours of 8 a.m. and 4 p.m.

(2) The cooperative shall not shut off service on a day, or a day immediately preceding a day, when the services of the cooperative are not available to the general public for the purpose of restoring service and shall not shut off service on a Friday during the space heating season to a member who has defaulted on a shutoff protection program under Part 9 of these rules.

R 460.141 Manner of shutoff.

Rule 41. (1) For an involuntary shutoff, at least 1 day before shutoff of service, the cooperative shall make not less than 2 attempts to contact the member by telephone, if a telephone number is available to the cooperative, to advise the member of the shutoff and what steps the member must take to avoid shutoff. If the cooperative uses an automated notification system, it shall document the process for ensuring that at least 2 attempts are made to notify the member of the pending shutoff. If the telephone number is not available, the member has no telephone, or the telephone contacts are not made, the cooperative shall either leave a notice at the premises advising the member that service will be shutoff on or after the next business day or send notice by first-class mail postmarked at least 5 business days before shutoff of service is scheduled. The cooperative shall document all attempts to contact the member.

(2) Immediately preceding the shutoff of service, an employee of the cooperative who is designated to perform that function may identify himself or herself to the member or another responsible person at the premises and may announce the purpose of his or her presence.

(3) The employee shall have in his or her possession a copy of the delinquent account of the member and request any available verification that the outstanding claims have been satisfied or are currently in dispute. Unless the member presents evidence that reasonably indicates that the claim has been satisfied or is currently in dispute, the employee may shut off service.

(4) The employee may be authorized to accept payment and shall not shut off service if the member offers payment in full, together with a Board-approved collection charge for sending the employee to the premises, if provided in the cooperative's schedule of rates and tariffs.

(Continued on Sheet No. B-44.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-43.00)

(5) The member may pay in any reasonable manner, including by personal check or by credit or debit card. Payment by personal check, credit or debit card is not reasonable if the member has paid with a personal check, credit or debit card within the last 12 months and at least 1 check has been returned for insufficient funds or no account, or at least 1 credit or debit card payment has been denied excluding financial institution error.

(6) After notice has been provided in accordance with subrule (1) of this rule, and if the member does not respond, the employee may shut off service.

(7) When the cooperative employee shuts off service, the employee shall leave a notice in a conspicuous place upon the premises. For all forms printed after the effective date of these rules, the notice shall state that service has been shut off, the address and telephone number of the cooperative where the customer may arrange to have service restored, and that any efforts by the member to restore his or her own service are unlawful and dangerous.

R 460.142 Manner of shutoff for service provided with remote shutoff and restoration capability.

Rule 42. (1) For an involuntary shutoff, at least 1 day before shutoff of service, the cooperative shall make at least 2 attempts to contact the member by telephone, if a telephone number is available to the cooperative, to advise the member of the pending shutoff and what steps the member must take to avoid shutoff. If the cooperative uses an automated notification system, it shall document the process for ensuring that at least 2 attempts are made to notify the member of the pending shutoff. If the telephone number is not available, the member has no telephone, or the telephone contacts are not made, the cooperative shall either leave a notice at the premises advising the member that service will be shutoff on or after the next business day or send notice by first-class mail postmarked at least 5 business days before shutoff of service is scheduled. The notice shall conspicuously state that the disconnection of service will be done remotely and that a cooperative representative will not return to the premises before disconnection. The cooperative shall document all attempts to contact the member.

(2) If the cooperative contacts the member or other responsible person in the member's household by telephone on the day service is to be shutoff, the cooperative shall inform the member or other responsible person that shutoff of service is imminent and the steps necessary to avoid shutoff. Unless the member presents evidence that reasonably demonstrates that the claim is satisfied or is in dispute, or the member makes payment, the employee may shutoff service.

(Continued on Sheet No. B-45.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-44.00)

(3) If the cooperative mailed the notice of shutoff to the member as provided in subrule (1) of this rule, and if telephone contact with the member cannot be made or if the member did not respond to the notice provided in accordance with subrule (1) of this rule, no further member contact is required on the day service is to be shutoff and the cooperative may shutoff service.

R 460.143 Shutoff prohibited.

Rule 43. The cooperative shall not shut off service for any of the following reasons:

(a) The member has not paid for items, such as merchandise, appliances, or services that are not approved by the Board of Directors as an integral part of the utility service that is provided by the cooperative.

(b) The member has not paid for concurrent service received at a separate metering point, residence, or location.

(c) The member has not paid for a different class of service received at the same or a different location. The placing of more than 1 meter at the same location for the purpose of billing the usage of specific residential energy-using devices under optional rate schedules or provisions is not a different class of service for the purposes of this rule.

(d) The member, such as a landlord, has not paid for service used by another person, such as a tenant. The cooperative may shutoff service, however, in any of the following circumstances where proper notice has been given:

(i) If the member supplies a written, notarized statement that the premises are unoccupied. (ii) If the premises are occupied and the occupant agrees, in writing, to the shutoff of service.

(ii) If it is not feasible to provide service to the occupant as a member without a major revision of existing distribution facilities. Where it is feasible to provide service, the cooperative shall offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant refuses, the cooperative may shut off service pursuant to these rules.

(e) A member, the spouse of a member or a member with a spouse who is called to full-time active military service by the president of the United States or the governor of Michigan during a time of declared national or state emergency or war, except as otherwise provided in R 460.150.

(Continued on Sheet No. B-46.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-45.00)

R 460.144 Restoration of service.

Rule 44. (1) After the cooperative has shut off service, it shall restore service promptly upon the member's request when the cause has been cured or credit arrangements satisfactory to the cooperative have been made.

(2) When the cooperative is required to restore service at the member's meter manually, the cooperative shall make every effort to restore service on the day the member requests restoration. Except for reasons beyond its control, the cooperative shall restore service not later than the first working day after the member's request.

(3) For utilities using meter technology with remote shutoff and restoration capability, service shall be restored on the day the member requests restoration, except in the case of documented equipment failure.

(4) The cooperative may assess the member a charge, including reasonable costs, for restoring service and relocating the member's meter as specified in the cooperative's approved schedule of rates and tariffs.

PART 9. ENERGY ASSISTANCE AND SHUTOFF PROTECTION PROGRAMS

R 460.145 Listing of energy assistance programs.

Rule 45. The Michigan Public Service Commission shall provide a listing of all federal and state energy assistance programs and the eligibility requirements of each program to all utilities.

R 460.146 Notice of energy assistance programs.

Rule 46. (1) The cooperative shall annually inform each member of the following information:

(a) The federal and state energy assistance programs that are available and the eligibility requirements of the programs, as provided to the cooperative by the Michigan Public Service Commission.

(b) The medical emergency provisions of R 460.147.

(c) The shutoff protection programs described in the provisions of R 460.148 and R 460.149.

(d) The military shutoff protections of R 460.150.

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-46.00)

(2) The cooperative shall provide the information required by the provisions of subrule (1) of this rule to residential members. The information in subrule (1) of this rule may be explained on the member's bill, or provided as a bill insert, or other transmittal. This information shall also be posted on the cooperative's website. If the cooperative does not print an explanation on the member's bill, then the cooperative shall, on the member's bill, direct the member to the bill insert or other transmittal.

(3) If additional information regarding energy assistance programs becomes available after the cooperative's initial notice to members, the Michigan Public Service Commission shall provide that information to all utilities. Within 60 days of receiving the information, the cooperative shall provide the new eligibility requirements or benefits levels for energy assistance programs to all of its members and the new benefit levels to all members currently enrolled in the programs.

(4) When a member receives a past-due notice from the cooperative, the cooperative shall provide the member access to information about energy assistance programs referenced in subrules (1) and (3) of this rule, which shall, at minimum, include a telephone number of a cooperative representative able to provide this information.

R 460.147 Medical emergency.

Rule 47. Notwithstanding any other provision of these rules, the cooperative shall postpone the shutoff of service for not more than 21 days if the member or a member of the member's household is a critical care member or has a certified medical emergency as defined in R 460.102.The certificate shall identify the medical condition, any medical or life supporting equipment being used, and the specific time period during which the shutoff of service will aggravate the medical emergency. The cooperative shall extend the postponement for further periods of not more than 21 days, not to exceed a total postponement of shutoff of service of 63 days, only if the member provides additional certificates. If shutoff of service has occurred without any postponement being obtained, the cooperative shall unconditionally restore service for not more than 21 days, and shall continue the restoration for further periods of not more than 21 days, not to exceed a total restoration of service of 63 days in any 12-month period per household member. Annually, the cooperative shall not be required to grant shutoff extensions totaling more than 126 days per household.

R 460.148 Winter protection plan for low-income members.

Rule 48. (1) Except where unauthorized use of utility service has occurred, the cooperative shall not shut off service to an eligible low-income member during the space heating season for nonpayment of a delinquent account if the member pays to the utility a monthly amount equal to 7% of the estimated annual

(Continued on Sheet No. B-48.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-47.00)

bill for the eligible member and the eligible member demonstrates, within 14 days of requesting shutoff protection, that he or she has made application for state or federal heating assistance. If an arrearage exists at the time an eligible low-income member applies for protection from shutoff of service during the space heating season, the cooperative shall permit the member to pay the arrearage in equal monthly installments between the date of application and the start of the subsequent space heating season.

(2) The cooperative may shut off service to an eligible low-income member who does not pay the monthly amounts referred to in subrule (1) of this rule after giving notice in the manner required by these rules. The cooperative is not required to offer a settlement agreement to an eligible low-income member who fails to make the monthly payments referred to in subrule (1) of this rule.

(3) If an eligible low-income member fails to comply with the terms and conditions of this rule, the cooperative may shut off service after giving the member notice, by personal service or first-class mail, which contains all of the following information:

(a) The eligible low-income member has defaulted on the winter protection plan.

(b) The nature of the default.

(c) That unless the member makes the payments that are past due under this rule within 10 days of the date of mailing, the cooperative may shut off service.

(d) The date on or after which the utility may shut off service, unless the member takes appropriate action.

(e) That the member has the right to file a complaint disputing the claim of the cooperative before the date of the proposed shutoff of service by calling the cooperative.

(f) That the member has the right to request a hearing before a hearing officer if the complaint cannot be otherwise resolved and that the member must pay to the cooperative that portion of the bill that is not in dispute within 7 business days of the date that the member requests a hearing.

(Continued on Sheet No. B-49.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-48.00)

(a) That the member has the right to represent himself or herself, to be represented by counsel, or to be assisted by other persons of his or her choice in the complaint process.

(b) That the cooperative will not shut off service pending the resolution of a complaint that is filed with the utility, its CEO or the Board of Directors in accordance with these rules.

(c) The telephone number and address of the cooperative where the member may make inquiry, enter into a settlement agreement, or file a complaint. (j) That the member should contact a social services agency immediately if the member believes he or she might be eligible for emergency economic assistance.

(d) That the cooperative will postpone shutoff of service if a medical emergency exists at the member's residence and the member provides the documentation as specified in R 460.147.

(e) That the cooperative may require a deposit and restoration charge if the cooperative shuts off service for nonpayment of winter protection monthly amounts.

(f) That the cooperative will not shut off service if the member or the spouse of the member is on active military duty.

(4) At the conclusion of the space heating season, the cooperative shall reconcile the accounts of eligible low-income members and permit members to pay any amounts owing in equal monthly installments between April 1 and October 31. The cooperatives may shut off service to eligible members who fail to make installment payments on a timely basis in the manner required by these rules.

(5) Except where unauthorized use of utility service has occurred at a member's premises within the past 2 years and the bill remains unpaid, during the space heating season the cooperative shall not require an eligible low-income member, whose utility service has been shut off, to pay a fee for restoring service or a security deposit pursuant to the provisions of R 460.109 or R 460.110, before applying for protection under this rule.

(6) Except where unauthorized use of utility service has occurred within the past 2 years at the premises where the member has resided and the bill remains unpaid or safety is a concern, the cooperative may not require an amount greater than 1/12 of an arrearage owed in order to restore service or initiate participation in the winter protection plan.

(Continued on Sheet No. B-50.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-49.00)

(7) Winter protection provisions of these rules do not apply to members who have been shut off or who have a pending shutoff for unauthorized use of utility service within the past 2 years at the member's current premises until all charges are paid in accordance with these rules or satisfactory payment arrangements are made with the cooperative.

(8) Upon request, the cooperative shall provide members who enroll in the winter protection program with documentation that they are participating in the program.

(9) Bills issued to members participating in the winter protection program shall clearly identify the minimum amount that the member must pay to prevent shutoff of service. The cooperative may bill at higher amounts to recover past due amounts and the cooperative may encourage members to pay amounts in excess of the minimum provided that the minimum payment is clearly designated on the bill.

(10) Subject to prior Board of Directors approval, the cooperative may offer an optional shutoff protection program to its members, provided that the optional shutoff protection program offers eligibility and shutoff protection that meets or exceeds the eligibility criteria and member protections contained in subrule (1) of this rule.

R 460.149 Winter protection plan for senior citizens.

Rule 49. (1) The cooperative shall not shutoff service to an eligible senior citizen member during the space heating season.

(2) At the member's request, the cooperative shall restore service to an eligible senior citizen member during the space heating season without payment of the amount due, deposits, reconnection fees, or other charges.

(3) At the conclusion of the space heating season, the cooperative shall reconcile the accounts of eligible senior citizen members and permit them to pay any amounts owing in equal monthly installments between April 1 and October 31.

R 460.150 Military protections.

Rule 50. (1) The cooperative shall not shutoff service to an eligible military member for a period of 90 days. The cooperative shall continue to provide shutoff protection for at least one additional 90-day period as long as the member meets all of the conditions for an eligible military member and requests the cooperative to do so. After the close of the last 90-day period, the cooperative shall require the member to pay any past due amounts in equal monthly payments over a period of up to 12 months.

(2) The cooperative shall provide the eligible military member with information on payment assistance programs.

(Continued on Sheet No. B-51.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-50.00)

PART 10. DISPUTED CLAIM, HEARING AND SETTLEMENT AGREEMENT

R 460.151 Disputed claim.

Rule 51. (1) If a member advises the cooperative, or if the cooperative is notified by a regulation officer on behalf of a member, before the date of the proposed shutoff of service that all or part of a bill is in dispute, then the cooperative shall do all of the following:

(a) Immediately record the date, time, and place the member made the complaint and transmit verification to the member.

(b) Investigate the dispute promptly and completely.

(c) Advise the member of the results of the investigation.

(d) Attempt to resolve the dispute informally in a manner that is satisfactory to both parties.

(e) Provide the opportunity for the member to settle the disputed claim or to satisfy any liability that is not in dispute.

(2) A member may advise the cooperative that a claim is in dispute in any reasonable manner, such as by written notice, in person, by a telephone call directed to the utility, or through a regulation officer.

(3) The cooperative, in attempting to resolve the dispute, may employ telephone communication, personal meetings, on-site visits, or any other method that is reasonably conducive to obtaining a settlement.

R 460.152 Utility hearing and hearing officers.

Rule 52. (1) If the parties are unable to resolve the dispute, the cooperative shall offer the member the opportunity for an informal hearing before a hearing officer selected from a list of hearing officers filed with the Board of Directors.

(2) If the member chooses to have an informal hearing, the member shall do both of the following:

(a) Notify the cooperative within 5 business days of the cooperative offer for a hearing.

(b) Pay the amount not in dispute or if the cooperative and member cannot agree, pay 50% of the disputed amount not to exceed $100.

(Continued on Sheet No. B-52.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-51.00)

(3) If the member notifies the cooperative of the intent to pursue an informal hearing, then the cooperative shall do both of the following:

(a) Complete the necessary investigation.

(b) Schedule the hearing within 10 business days.

(c) Hold the hearing within 30 business days of the member's request for a hearing.

(4) If the member fails to pay the part of the bill that is determined under subrule (2)(b) of this rule within 10 business days of the date that the cooperative sends the hearing notice, the cooperative may exercise its right to shut off service pursuant to these rules.

(5) The cooperative shall select hearing officers on the basis of all of the following:

(a) They are on the list of hearing officers on file with the Board of Directors.

(b) They shall be notaries public qualified to administer oaths.

(c) They shall not be engaged in any other activities for or on behalf of the cooperative.

(d) They shall comply with part 10 of these rules.

(6) If the dispute is ultimately resolved in favor of the member, in whole or in part, the cooperative shall return promptly any excess amount paid by the member, with interest at the rate specified pursuant to the provisions of R 460.111(7).

R 460.153 Notice of hearing.

Rule 53. (1) The cooperative shall send or personally serve the member with written notice of the time, date, and place of the hearing on the day scheduling is determined.

(2) The notice shall describe the hearing procedures as contained in these rules.

(3) Notice shall include amount of required payment and due date of 10 business days from the date of notice.

(Continued on Sheet No. B-53.00)

B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-52.00)

R 460.154 Hearing procedures.

Rule 54. (1) The cooperative shall establish hearing procedures that, at a minimum, shall be subject to investigation and review by the Board of Directors to ensure the impartiality and integrity of the hearing process and that provide the member and the cooperative with all of the following rights:

(a) The right to represent themselves, to be represented by counsel, or to be assisted by persons of their choice.

(b) The right to examine, not less than 2 business days before a scheduled hearing, a list of all witnesses who will testify and all documents, records, files, account data, and similar material that may be relevant to the issues to be raised at the hearing.

(c) The right to present evidence, testimony, and oral and written argument.

(d) The right to question witnesses appearing on behalf of the other party.

(2) A hearing shall be held during normal business hours. The cooperative shall take reasonable steps to ensure that a member who is unable to attend a hearing due to physical incapacity is not denied the right to a hearing. Failure of the member, or the cooperative, to attend the hearing without a good reason, or without having requested an adjournment, constitutes a waiver of the right of that party to the hearing.

(3) The cooperative has the burden of proof by a preponderance of the evidence.

(4) All witnesses who appear for either party shall testify under oath.

(5) A hearing shall be informal and the proceedings need not be recorded or transcribed. All relevant evidence shall be received and the formal rules of evidence shall not apply.

(6) For each hearing, the hearing officer shall compile a record that contains all of the following:

(a) A concise statement, in writing, of the position of the utility.

(b) A concise statement, in writing, of the position of the member. If the member has not put his or her position in writing, then the hearing process shall provide a method for accomplishing this writing with the opportunity for proper acknowledgment by the member.

(c) Copies of all evidence submitted by the parties.

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-53.00)

(7) At the conclusion of the hearing, the hearing officer may orally state his or her findings, the decision, or adjourn the hearing and inform the parties that the decision will be transmitted within 7 business days. At the request of the member, the hearing officer shall adjourn the hearing and transmit the decision within 7 business days. In all cases, the hearing officer shall issue a complaint determination in a form that is approved by the Board of Directors. The complaint determination shall contain both of the following:

(d) A concise summary of the evidence and arguments presented by the parties.

(e) The decision, and the reasons for the decision, of the hearing officer based solely upon the evidence received.

(8) At the conclusion of the hearing and again upon issuance of the complaint determination, the hearing officer shall advise the member and the cooperative of all of the following:

(a) That each party has a right to make an informal appeal to the Board of Directors, by mail, telephone, internet, fax, or in person, within 7 business days of issuance of the complaint determination.

(b) That, if appealed, the decision of the hearing officer, including a finding that service may be shut off, cannot be implemented until a review by the Board of Directors is completed.

(c) The address and telephone number where the member or the cooperative may make an informal appeal to the Board of Directors.

(9) Before issuance of a complaint determination, the hearing officer may propose a settlement to the parties. If both parties accept the settlement, it shall be put in writing and signed by both parties.

(10) Within 7 business days of the conclusion of the hearing, the hearing officer shall serve the parties with all of the following:

(a) A copy of the complaint determination.

(b) Appeal information as provided in subrule (8) of this rule.

(c) If applicable, a copy of the signed settlement agreement.

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-54.00)

(11) The complaint determination and a copy of the signed settlement agreement, if any, shall be made part of the hearing record. The hearing officer shall certify the hearing record.

(12) The complaint determination is binding upon the parties.

R 460.155 Settlement agreement.

Rule 55. (1) If the cooperative and the member arrive at a mutually satisfactory settlement of a claim in dispute or if the member does not dispute liability to the cooperative, but claims the inability to pay the outstanding bill in full, then a cooperative shall offer the member the opportunity to enter into a settlement agreement.

(2) The cooperative shall confirm the terms of the settlement agreement with the member and shall send a signed copy of the settlement to the member or the member's authorized representative. The cooperative shall retain documentation of the original settlement agreement for 2 years. In case of a dispute over the terms of a settlement agreement, the cooperative shall have the burden of proving that the member understood and accepted the terms of the settlement agreement.

(3) In negotiating a settlement agreement due to the member's inability to pay an outstanding bill in full, the cooperative shall not require the member to pay more than a reasonable amount of the outstanding bill upon signing the agreement and not more than reasonable installments until the remaining balance is paid.

(4) For purposes of determining reasonableness, the parties shall consider all of the following factors:

(a) The size of the delinquent account.

(b) The member's ability to pay.

(c) The time that the debt has been outstanding.

(d) The reasons that the member has not paid the bill.

(e) The member's payment history.

(f) Any other relevant factors concerning the circumstances of the member.

(5) A settlement agreement that is offered by a cooperative shall state, immediately preceding the space provided for the member's signature and in bold print that is not less than 2 sizes larger than any other print that is used on the form:

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-55.00)

"IF YOU ARE SEEKING PAYMENT ASSISTANCE FROM A SOCIAL SERVICE AGENCY, SIGNING THIS AGREEMENT MAY PREVENT YOU FROM GETTING EMERGENCY ASSISTANCE. LET US KNOW IF YOU ARE WORKING WITH AN AGENCY. IF YOU ARE NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN. YOU MAY FILE AN INFORMAL COMPLAINT AND HAVE A HEARING BEFORE A HEARING OFFICER BEFORE YOUR SERVICE MAY BE SHUT OFF. IF YOU DO SIGN THIS AGREEMENT, YOU GIVE UP YOUR RIGHT TO AN INFORMAL HEARING BEFORE A HEARING OFFICER ON ANY MATTER INVOLVED IN THIS DISPUTE EXCEPT THE UTILITY'S FAILURE OR REFUSAL TO FOLLOW THE TERMS OF THIS AGREEMENT. IF YOU HAVE AN UNEXPECTED LOSS OR REDUCTION OF INCOME AFTER THIS AGREEMENT IS SIGNED, Y OU MAY REQUEST A REVIEW AND MODIFICATION OF THIS AGREEMENT"

R 460.156 Default of settlement agreement.

Rule 56.(1) If a member fails to comply with the terms and conditions of a settlement agreement, the cooperative may shut off service after giving the member a notice, by personal service or first-class mail, that contains all of the following information:

(a) That the member is in default of the settlement agreement.

(b) The nature of the default.

(c) That unless the customer pays in full within 10 business days of the date of mailing, the cooperative may shut off service.

(d) The date on or after which the cooperative may shut off service.

(e) That the member has a right to request a hearing before a hearing officer selected from a list on file only if the member alleges that the cooperative has failed or refused to follow the terms of the settlement agreement.

(f) The address and telephone number where the member may file the request for a hearing with the cooperative.

(2) The cooperative is not required to enter into a subsequent settlement agreement with a member until he or she has complied fully with the terms of a previous settlement agreement, unless the member demonstrates a significant change in economic circumstances and requests a modification of the settlement agreement as provided by R 460.155(5).

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B2 CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE
(Cont'd from Sheet No. B-56.00)

(3) The cooperative is not required to enter into a subsequent settlement agreement with a member who defaulted on the terms and conditions of an agreement within the last 12 months.

(4) If the member and cooperative reach a settlement agreement following a notice of shutoff, the failure of the member to abide by the terms of the settlement agreement during the first 60 days of the agreement constitutes a waiver of the notice required by subrule (1) of this rule. The cooperative may shut off service after notice as described in the provisions of R 460.138, R 460.139, or R 460.142, if applicable.

R 460.157 Same dispute.

Rule 57. The cooperative may choose not to respond to a member complaint or dispute that involves the same question or issue based upon the same facts, and is not required to comply with these rules more than once before shutoff of service. The cooperative shall provide notice to the member that the complaint has been dismissed under this rule.

PART 11. COMMISSION APPEAL PROCEDURES

THIS PART IS DELETED

R 460.168 Other remedies.

Rule 68. Nothing in these provisions shall be construed to prevent a party from pursuing appropriate legal and equitable remedies at any time.

R 460.169 Scope of rules.

Rule 69. (1) Nothing contained in these rules covering consumer standards and billing practices shall be implemented in a manner that circumvents or is inconsistent with cooperative rules, orders, or tariffs approved by the Board of Directors to ensure the safe and reliable delivery of energy service. (2) Upon written request of a person, utility, or on its own motion, the Board may temporarily waive any requirements of these rules when it determines the waiver will further the effective and efficient administration of these rules and is in the public interest.

(Continued on Sheet No. B-58.00)

B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS

(By authority conferred on the Board of Directors 2008 PA 167, MCL 460.131.)

PART 1. GENERAL PROVISIONS

R 460.1601 Applicability; purpose.

(2) Rule 1. (1) These rules apply to non-residential retail service provided by Presque Isle Electric & Gas Co-op subject to the jurisdiction of the board of directors.

(3) These rules are intended to promote safe and adequate service to the public and to provide standards for uniform and reasonable practices by Presque Isle Electric & Gas Co-op in dealing with non-residential members.

These rules do not relieve the Cooperative from any of its duties under the laws of the state of Michigan.

R 460.1602 Definitions.

Rule 2. As used in these rules:

(a) "Actual meter reading" means a gas or electric meter reading that is based on the member's actual energy use during the period reported and that was performed by a cooperative representative, by the member and communicated to the cooperative by mail, telephone, fax, a secure cooperative website, or other reasonable means, or that was transmitted by an automated meter reading device.

(b) "Applicant" means a person over the age of 18 or a business entity requesting non-residential retail utility gas or electric service in the name of that person or entity.

(c) "Billing error" means an undercharge or overcharge caused by any of the following:

(i) An incorrect actual meter read by a Cooperative representative.

(ii) An incorrect remote meter read.

(iii) An incorrect meter constant or pressure factor.

(iv) An incorrect calculation of the applicable rate.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-58.00)

(v) A meter switched by the Cooperative or Cooperative representative.

(vi) An incorrect application of the rate schedule.

(vii) Other similar act or omission by the Cooperative in determining the amount of a member's bill. An undercharge or overcharge that is caused by a non-registering meter, a metering inaccuracy, or the use of an estimated meter read or a member read is not a billing error.

(d) "Commission" means the Michigan public service commission.

(e) "Complaint determination" means the written decision of a hearing officer after an informal hearing.

(f) "Member" means a purchaser of electricity or natural gas that is supplied or distributed by the Cooperative for non-residential purposes, including service to schools and centrally metered apartment buildings.

(g) "Existing member" means a member who has been receiving service continuously for at least the last 6 months.

(h) "Hearing officer" means a notary public who is qualified to administer oaths to conduct informal small commercial member complaint hearings against the Cooperative company and who is on a list on file with the commission.

(i) "Informal appeal" means an appeal of a complaint determination of a hearing officer made to the commission staff.

(j) "Informal hearing" means a dispute resolution process for small commercial members that is administered by a hearing officer.

(k) "Meter" means a device that measures the quantity of gas used by a member, including a device that measures the heat content of gas or a device that measures and registers the amount of electrical power used.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-59.00)

(l) "Positive identification information" means a consistently used appropriate identification including, but not limited to:

(i) A driver's license or ID card issued by a state, U.S. military card, military dependent's ID card, native American tribal document, or passport.

(ii) Articles of incorporation, tax identification documents, business license, certificate of authority, or similar documents proving identity of a business.

(m) "Regulation officer" means a member of the commission staff who resolves complaints in accordance with these rules.

(n) "Settlement agreement" means a documented agreement that is entered into by a member and the Cooperative and that resolves any matter in dispute or provides for the payment of amounts not in dispute over a reasonable period of time.

(o) "Small commercial member" means a non-residential member with usage of 200 Mcf of gas or less per year or 15,000 kWh of electric usage or less per year.

(p) "Space heating season" means the period from November 1 through March 31.

(q) "Unauthorized use of Cooperative service" means theft, fraud, interference, or diversion of service, including but not limited to, meter tampering (for example, any act which affects the proper registration of service through a meter), bypassing (for example, unmetered service that flows through a device connected between a service line and member facilities), and service restoration by anyone other than the Cooperative or its representative.

(r) "Utility" means a person, firm, corporation, cooperative, association, or other legal entity that is subject to the jurisdiction of the commission and that distributes or sells electricity or natural gas for nonresidential use.

R 460.1603 Discrimination prohibited.

Rule 3. The Cooperative shall not discriminate against or penalize a member for exercising any right granted by these rules.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-60.00)

R 460.1604 Form of proceedings.

Rule 4. The informal procedures required by these rules shall not constitute a contested case as defined by section 3 of 1969 PA 306, MCL 24.203.

R 460.1605 Additional rules.

Rule 5. The Cooperative may adopt additional rules governing relations with its members that are reasonable and necessary and that are consistent with these rules. The Cooperative's rules shall be an integral part of its tariffs and shall be subject to approval by the board of directors. If there is a conflict between these rules and the Cooperative's rules or tariffs, these rules govern.

PART 2. APPLICATION FOR SERVICE

R 460.1606 Application for new service.

Rule 6. Applicants for service may become new members by requesting service in person at the Cooperative office, in writing, via telephone, fax, internet or other means of communication. Using any of these methods, an applicant shall do all of the following:

(a) Provide positive identification information.

(b) Show ownership or a lease for the property where service will be rendered.

(c) Pay a deposit as a new member, if applicable.

PART 3. GENERAL MEMBER DEPOSIT CONDITIONS

R 460.1607 Member deposits.

Rule 7. (1) Except as provided in this subrule, the Cooperative shall not require a deposit from a new member as a condition of receiving service. The Cooperative may require a deposit from a new member if the member has an unfavorable credit rating with a credit reporting agency, an unpaid delinquent bill for Cooperative service, or has engaged in unauthorized use of service within the last 6 years.

(2) The Cooperative may require a deposit from an existing member if 2 or more final disconnect notices have been issued within the most recent 12-month period, service has been discontinued for nonpayment, the member has engaged in unauthorized use of Cooperative electric or gas service, or the member exhibited an unsatisfactory record of bill payment within the first 6 months after service commenced.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-61.00)

(3) A deposit for small commercial members shall not be more than 15% of the member's annual electric or gas bill. All other non-residential members may be required to pay a deposit equal to 25% of the member's annual electric or gas bill. The deposit required as a condition of providing, restoring, or continuing service due to unauthorized use of Cooperative service shall not be more than 4 times the average peak season monthly bill, or 4 times the Cooperative's system average peak season monthly bill for the same class of service if the member's consumption history for the service is unavailable.

(4) A deposit may be retained by the Cooperative until the member compiles a record of 12 continuous months of bill payment on or before the due date.

(5) The interest rate will be the rate paid on United States savings bonds, series EE, as of the first business day of the calendar year.

(6) If service is terminated, the Cooperative may apply the deposit, plus accrued interest, to the member's unpaid balance. If the deposit plus accrued interest is more than the unpaid balance, then the Cooperative shall return the excess to the member.

(7) **The** Cooperative shall keep records that show all of the following information:

(a) The name and address of each depositor.

(b) The amount and date of the deposit.

(c) Each transaction concerning the deposit.

(8) **The** Cooperative shall issue a receipt of deposit to each member from whom a deposit is received and shall provide means whereby a depositor may establish a claim if the receipt is lost.

(9) The Cooperative shall make reasonable efforts to locate members due unclaimed deposits and credits.

(10) Each Cooperative shall, within 60 days of the effective date of this rule, transmit a notice explaining the conditions under which a deposit may be required to all existing members. This notice shall also be provided to new members within 30 days after service has commenced or, at the Cooperative's option, with the first bill rendered.

(11) During the space heating season a small commercial member shall not pay a deposit unless that member has been shut off for nonpayment during the prior 12 months or where unauthorized use

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of Cooperative service has occurred. A member deposit under this subrule may not exceed the member's average monthly bill.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-62.00)

(12) The Cooperative may, at its option, accept an irrevocable financial institution letter of credit, a surety bond, or other corporate guarantee instead of a deposit.

PART 4. METER READING, ESTIMATED BILLS, BILLING ADJUSTMENTS, VOLUNTARY TERMINATION, AND METER RELOCATION

R 460.1608 Meter reading interval and estimated bills.

Rule 8. (1) Except as specified in this rule, the Cooperative shall provide all non-residential members with an actual monthly meter read. The Cooperative may permit a member to supply meter readings on a form furnished by the Cooperative, on a secure company website, by telephone, or by other reasonable means if an employee of the Cooperative reads the meter at least once each 12 months. A bill that is rendered on an estimated basis shall be clearly and conspicuously identified as such. Estimated bills shall not be rendered unless estimating procedures have been approved by the board of directors. If the Cooperative cannot obtain an actual meter reading, then the Cooperative shall maintain records of the efforts made to obtain an actual meter reading and its reasons for failure to obtain an actual meter reading.

(2) The Cooperative may render estimated bills to seasonally billed members in accordance with the tariffs approved by the board of directors.

(3) Except for seasonally billed members, bills may be estimated only if the Cooperative representative is unable to gain access to the meter or meter reading equipment failure occurs. If a meter reading equipment failure occurs, the equipment shall be promptly replaced or repaired so that not more than 2 estimated bills are necessary.

(4) If the Cooperative estimates a member's bill for 2 or more consecutive months, notwithstanding the provisions of subrules (1) and (3) of this rule, when an actual read is obtained the Cooperative shall offer small commercial members the opportunity to pay the bill in equal monthly payments over the same number of months as consecutively estimated bills.

(5) An estimated bill generated because the actual read is outside the range for the premise usage shall not be issued in consecutive months. If the Cooperative is actively engaged in resolving the problem, then an additional 30 days is permitted to correct the problem and obtain an actual meter reading.

R 460.1609 Metering inaccuracies; billing adjustments.

Rule 9. If any Cooperative meters are determined to be inaccurate as described in the Technical Standards for Gas Service, R 460.2301 to 460.2384, or Technical Standards for Electric Service, R 460.3101 to 460.3804, then the Cooperative shall make member billing adjustments in accordance with these rules.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-63.00)

R 460.1610 Voluntary termination.

Rule 10. (1) The Cooperative member or authorized representative shall do all of the following:

(a) Notify the Cooperative in person, or by telephone, in writing, by fax or on the internet at least 10 business days prior to requested service termination.

(b) Allow access to the Cooperative, if necessary, to perform a final meter read.

(c) Provide an address for final billing at the time of request for a final read.

(2) The Cooperative shall do both of the following:

(a) Provide a final actual meter reading within 10 business days of the request for termination or estimate the final read and offer the member the option to provide an actual read. If the meter is not read within the 10-day time frame, then the Cooperative must document the reason for no actual reading. A meter read shall be obtained by the next normal reading cycle.

(b) Schedule the member's final read within a 4-hour time frame if the Cooperative cannot access the meter.

R 460.1611 Meter or facilities relocation charge.

Rule 11. (1) The Cooperative may assess a relocation charge in any of the following situations:

(a) The Cooperative shut off service by disconnection at the street or pole because the Cooperative could not obtain access to the meter or Cooperative facilities.

(b) The member or its agent refused to permit the Cooperative access to the meter or Cooperative facilities on 2 separate occasions or on a single occasion if harm is threatened, and the Cooperative can produce documentation of requests for access and/or requests for the member to perform a meter reading that were refused.

(c) The Cooperative shut off service due to unauthorized use of Cooperative service or the member acknowledges personal responsibility and the Cooperative bills the member for unauthorized use of Cooperative service.

(d) The member requests that the Cooperative relocate the meter or other Cooperative facilities.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(CONT'D FROM SHEET NO. B-64.00)

(2) If the Cooperative moves the meter or facilities for reasons other than the reasons in subrule (1) of this rule, and the member wants the meter or facilities placed in a different location than that selected by the Cooperative, then the member shall pay any additional costs.

PART 5. BILLING AND PAYMENTS

R 460.1612 Cycle billing.

Rule 12. The Cooperative may use cycle billing if each member receives a bill on or about the same day of each billing month. If the Cooperative changes meter reading routes or schedules by more than 7 days, it shall provide notice to affected members at least 10 days before making the change.

R 460.1613 Billing information.

Rule 13. (1) The Cooperative shall bill each member promptly after reading the meter. The bill shall show all of the following information:

(a) The beginning and ending meter readings of the billing period and the dates thereof.

(b) The due date.

(c) The number and kind of units metered.

(d) The applicable rate schedule or identification of the applicable rate schedule. If the actual rates are not shown, then the bill shall carry a statement to the effect that the applicable rate schedule will be furnished on request.

(e) The gross amount or net amount of the bill, or both, including any applicable tax shown separately from the net amount.

(f) The date by which the member must pay the bill to benefit from any discount or to avoid any penalty.

(g) A distinct marking to identify an estimated bill.

(h) Any conversions from meter reading units to billing units, any calculations to determine billing units from recording or other devices, or any other factors, such as power supply cost recovery adjustments, used in determining the bill.

(Continued on Sheet No. B-66.00)

B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-65.00)

(i) The address and telephone number of the Cooperative designating where the member may initiate an inquiry or complaint regarding the bill as rendered or the service provided by the Cooperative.

(2) In place of the billing information in subrule (1)(h) of this rule, a statement may appear on the bill advising the member that the information can be obtained by contacting the Cooperative. Any multiplier used to determine billing units shall be shown when used.

(3) If the billing period differs from the meter reading cycle and the reading data is calculated from actual metered data, then the actual meter reading shall be shown on the bill.

R 460.1614 Discounts and late payment charges.

Rule 14. Where provided in an approved rate schedule, the Cooperative may grant a discount for prompt payment of a bill or may include a late payment charge for failure to make prompt payment. Unless the Cooperative's tariff states otherwise, a late payment charge of not more than 2%, not compounded, may be applied to the unpaid balance outstanding, net of taxes, if the bill is not paid in full on or before the date on which the bill is due.

R 460.1615 Delivery and payment of bills.

Rule 15. A bill shall be mailed, transmitted, or delivered to the member not less than 21 days before the due date. Failure to receive a bill properly mailed, transmitted, or delivered by the Cooperative does not extend the due date. If the day on which the bill is due falls on Saturday, Sunday, or a holiday, then the bill shall be due on the next business day. Member remittances postmarked on the due date shall be considered to have been timely paid. If the postmark is illegible, the date of mailing shall be designated as 2 days before receipt by the Cooperative.

R 460.1616 Billing for unregulated service.

Rule 16. The Cooperative may include charges for unregulated services with charges for Cooperative service on the same monthly bill if the charges for the unregulated services are designated clearly and separately from the charges for electric or gas service. If partial payment is made, and if no designation of the payment is given by the member, then the Cooperative shall first credit all payments to the balance outstanding for Cooperative service.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-66.00)

R 460.1617 Billing errors.

Rule 17. (1) If a member has been overcharged, then the Cooperative shall refund or credit the amount of the paid overcharge to the member. Overcharges shall be credited to members with interest at a rate equal to the rate paid for a United States savings bond, series EE as of the first business day of the calendar year, commencing on the 60th day following payment. The Cooperative is not required to adjust, refund, or credit an overcharge beyond the 3-year period immediately preceding discovery of the billing error, unless the member is able to present a record establishing an earlier date of occurrence or commencement of the error.

(3) In cases of unauthorized use of Cooperative service the member may be back billed for the amount of the undercharge. The back bill may include interest at the same interest rate applied to overcharges.

(4) In cases not involving unauthorized use of Cooperative service, the member may be back billed for the amount of the undercharge during the 12-month period immediately preceding discovery of the error. The Cooperative shall offer the member at least the same number of months for repayment equal to the time of the error. The back bill shall not include interest.

PART 6. MEMBER RELATIONS AND COOPERATIVE PROCEDURES

R 460.1618 Selection of rate, member information, and service.

Rule 18. Each Cooperative shall do all of the following:

(c) Maintain information necessary to advise the member or prospective members and others entitled to the information about the facilities available to serve prospective members in the Cooperative's service area.

(d) Assist the member in selecting the most economical rate schedule based on information supplied by the member; however, selection of the appropriate rate is the responsibility of the member. Once the selection is made, the member shall stay on that rate not less than 12 months unless the member notifies the Cooperative of permanent changes in the conditions of service that warrant a different rate schedule.

(e) Notify members affected by a proposed change in rates or schedule classification by publishing a notice in newspapers of general circulation in the Cooperative's service area, by giving notice to members individually, or as otherwise required by the board of directors.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-67.00)

(d) Post suitable signs in conspicuous locations at all bill payment offices that are operated by the Cooperative indicating that the rules, regulations, rate schedules, proposed rate schedules, explanations of rate schedules, and explanations of proposed rate schedules are on file and available for inspection. Upon request, the Cooperative shall provide 1 copy of the rules, explanations, or schedules to a member without charge.

(e) Upon request, inform the Cooperative's members as to the method of reading meters.

(f) Furnish any reasonable additional information.

R 460.1619 Inspection.

Rule 19. The Cooperative shall permit authorized staff of the commission to inspect all of the Cooperative's operations that relate to member service.

R 460.1620 Member access to consumption data.

Rule 20. The Cooperative shall provide to each member, upon request, a clear and concise statement of the member's actual energy usage, or weather adjusted consumption data, for each billing period during the last 12 months, unless that data is not reasonably ascertainable by the Cooperative. The Cooperative shall notify its members at least once each year in writing, or by whatever method is used to transmit the members' bills, that a member may request consumption data.

R 460.1621 Servicing Cooperative equipment on member's premises.

Rule 21. Each Cooperative shall service and maintain its equipment used on a member's premises and shall correctly set and keep in proper adjustment any devices that control the member's service in accordance with the Cooperative's rate schedules.

R 460.1622 Member complaints; investigation; records.

Rule 22. The Cooperative shall promptly and thoroughly investigate member complaints concerning the charges, practices, facilities, or services of the Cooperative. The Cooperative shall keep records of member complaints that will enable the Cooperative to review and analyze its procedures and actions. The records shall be available to the commission.

R 460.1623 Records and reports.

Rule 23. Upon request by the **Board of Directors** or its designated representative, records which are required by these rules or which are necessary for the administration of these rules shall be available within the state of Michigan for examination by the **Board of Directors** or its designated representative.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-68.00)
PART 7. SHUTOFFS AND RESTORATION

R 460.1624 Notice of shutoff.

Rule 24. (1) Not less than 10 days before the proposed shutoff of service to a non-residential facility, the Cooperative shall send a notice to the member that includes the following information:

(a) A clear and concise reason for the proposed shutoff of service.

(b) The date on or after which the Cooperative may shut off service unless the member takes appropriate action.

(2) Not less than 10 days before the proposed shutoff of service to a non-residential facility that is occupied by more than 5 business entities that are not responsible for payment of the bill, the Cooperative shall make a reasonable attempt to notify each occupant that service may be subject to shutoff after a specified date.

R 460.1625 Denial or shutoff of service to members.

Rule 25. (1) Service to non-residential members may be denied or shut off for any of the following reasons:

(a) Without notice, if a condition on the member's premises is determined by the Cooperative or a governmental agency to be hazardous.

(b) Without notice, if a member uses equipment in a manner that adversely affects the Cooperative's equipment or the Cooperative's service to others.

(c) Without notice, for unauthorized use of Cooperative service.

(d) Without notice, if unauthorized use of the equipment furnished and owned by the Cooperative occurs, including obtaining the use of equipment by submitting an application containing false information.

(e) For violation of, or noncompliance with, the Cooperative's rules on file with, and approved by, the board of directors.

(f) For failure of the member to fulfill his or her contractual obligations for service or facilities that are subject to regulation by the board of directors.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-69.00)

(g) For failure of the member to permit the Cooperative reasonable access to the Cooperative's equipment.

(h) For failure of the member to provide the Cooperative with a deposit as authorized by these rules.

(i) For nonpayment of a delinquent account for electric or gas service.

(j) For nonpayment of unpaid balances on any other non-residential account incurred by the member under a different account name by the member's predecessor in interest, or by any other entity, the debt of which the member is legally obligated to assume.

(2) Service to non-residential members may not be denied for the following reasons:

(a) Delinquency in payment for service by a previous occupant of the premises to be served.

(b) Failure to pay for items such as merchandise, appliances, or services that are not approved by the board of directors as an integral part of the electric or gas service provided by the Cooperative.

(c) Failure to pay for a different type or class of Cooperative service.

(d) Failure to pay the bill of another member as guarantor.

(3) Service shall not be shut off during a reasonable time period given to a member to pay the amount of a back billing as provided in these rules.

(4) If a shutoff or termination of service to a non-residential member occurs, then the Cooperative may transfer an unpaid balance to any other non-residential account of the member.

R 460.1626 Manner of shutoff for service provided with remote shutoff and restoration capability.

Rule 26. (1) For an involuntary shutoff of service using remote shutoff and restoration capability, at least 1 day before shutoff of service, the Cooperative shall make at least 2 attempts to contact the member by telephone, if a telephone number is available to the Cooperative, to advise the member of the pending shutoff and what steps the member must take to avoid shutoff. The Cooperative shall either document all attempts to contact the member or shall document that automated procedures are in place that will make at

(Continued on Sheet No. B-71.00)

B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-70.00)

least 2 attempts to contact the member by telephone. If the telephone number is not available, the member has no telephone, or the telephone contacts are not made, then the Cooperative shall either leave a notice at the premises advising the member that service will be shutoff on or after the next business day or send notice by first-class mail postmarked at least 5 business days before shutoff of service is scheduled. The notice shall conspicuously state that the disconnection of service will be done remotely and that the Cooperative representative will not return to the premises before disconnection.

(2) The Cooperative shall document all attempts to contact the member.

(3) If the Cooperative contacts the member or other responsible person at the member's premises by telephone on the day service is to be shut off, the Cooperative shall inform the member or other responsible person that shutoff of service is imminent and the steps that are necessary to avoid shutoff. Unless the member presents evidence that reasonably demonstrates that the claim is satisfied or is in dispute, or the member makes payment, the Cooperative may shut off service.

(3) If the Cooperative mailed the notice of shutoff to the member as provided in subrule (1) of this rule, and if telephone contact with the member cannot be made, then no further member contact is required on the day service is to be shut off and the Cooperative may shut off service.

PART 8. DISPUTED CLAIMS, HEARINGS AND SETTLEMENT AGREEMENTS

R 460.1628 Disputed claim.

Rule 28. (1) If a member advises the Cooperative, before the date of the proposed shutoff of service, that all or part of a bill is in dispute, then the Cooperative shall do all of the following:

(a) Immediately record the date, time, and place the member made the complaint and transmit verification to the member.

(b) Investigate the dispute promptly and completely.

(c) Advise the member of the results of the investigation.

(d) Attempt to resolve the dispute informally in a manner that is satisfactory to both parties.

(e) Provide the opportunity for the member to settle the disputed claim or to satisfy any liability that is not in dispute.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-71.00)

(2) A member may advise the Cooperative that a claim is in dispute in any reasonable manner, such as by written notice, in person, or by a telephone call directed to the Cooperative.

(3) The Cooperative, in attempting to resolve the dispute, may employ telephone communication, personal meetings, on-site visits, or any other technique that is reasonably conducive to obtaining a settlement.

R 460.1629 Settlement agreement.

Rule 29. (1) If the Cooperative and a small commercial member arrive at a mutually satisfactory settlement of any claim in dispute, or the member does not dispute liability to the Cooperative but claims inability to pay the outstanding bill in full, the Cooperative shall offer the member an opportunity to enter into a settlement agreement.

(2) The Cooperative shall confirm the terms of the settlement agreement with the member and shall send a copy of the settlement to the member or the member's authorized representative. The Cooperative shall retain documentation of the original settlement agreement for 2 years. In case of a dispute over the terms of a settlement agreement, the Cooperative shall have the burden of proving that the member understood and accepted the terms of the settlement agreement.

(3) Every settlement agreement entered into due to the member's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the member pays a reasonable amount of the outstanding bill and agrees to pay a reasonable portion of the remaining outstanding balance in installments until the bill is paid.

R 460.1630 Default of settlement agreement.

Rule 30. (1) If a small commercial member fails to comply with the terms and conditions of a settlement agreement, the Cooperative may discontinue service after notifying the member, in writing, by personal service or first-class mail, of all of the following:

(a) That the member is in default of the settlement agreement.

(b) The nature of the default.

(c) That unless full payment of the claim is made within 10 days of mailing of the notice, the Cooperative will discontinue service.

(d) The date upon which service is scheduled to be discontinued.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-72.00)

(2) The Cooperative is not required to enter into any subsequent settlement agreement with a member until the member has fully complied with the terms of any previous settlement agreement.

(3) The Cooperative is not required to enter into any subsequent settlement agreement with a member who has defaulted upon the terms and conditions of a previous agreement.

(4) If a settlement agreement is reached following a notice of discontinuance, the failure of the member to abide by the terms of the settlement agreement during the first 60 days after the agreement is made constitutes a waiver of the notice required by subrule (1) of this rule. However, before discontinuance, the Cooperative shall comply with the notice requirements of these rules.

R 460.1631 Informal hearing and hearing officers.

Rule 31. (1) If the parties are unable to resolve the dispute, then the Cooperative shall offer small commercial members the opportunity for an informal hearing before a hearing officer selected from a list of hearing officers previously filed with the Board of Directors.

(2) If the member chooses to have an informal hearing, then the member shall do both of the following:

(a) Notify the Cooperative within 5 business days of acceptance of the Cooperative offer for an informal hearing.

(b) Pay the amount not in dispute, or, if the Cooperative and member cannot agree, pay 50% of the disputed amount.

(3) When the member notifies the Cooperative of the intent to pursue an informal hearing the Cooperative shall do all of the following:

(a) Complete the necessary investigation.

(b) Schedule the hearing within 10 business days of the member's request for a hearing.

(c) Hold the hearing within 30 business days of the member's request for a hearing.

(4) If the member fails to pay the part of the bill that is determined under subrule (2)(b) of this rule within 10 business days of the date that the Cooperative sends the hearing notice, then the Cooperative may exercise its right to shut off service pursuant to these rules.

(5) The Cooperative shall select hearing officers on the basis of all of the following:

(Continued on Sheet No. B-74.00)

B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-73.00)

(a) They are on the list of hearing officers filed with the Board of Directors.

(b) They are notaries public qualified to administer oaths.

(c) They are not engaged in any other activities for or on behalf of the Cooperative.

(5) If the dispute is ultimately resolved in favor of the member, in whole or in part, then the Cooperative shall return promptly any excess amount paid by the member, with interest at the rate specified in these rules.

R 460.1632 Notice of hearing.

Rule 32. (1) The Cooperative shall personally serve the member with written notice of the time, date, and place of the hearing on the day scheduling is determined.

(2) The notice shall describe the hearing procedures as contained in these rules.

(3) The notice shall include the amount of the required payment and due date of 10 business days from the date of the notice.

R 460.1633 Hearing procedures.

Rule 33. (1) The Cooperative shall establish hearing procedures that ensure the impartiality and integrity of the hearing process and that provide the member and the Cooperative with all of the following:

(a) The right to represent themselves or to be assisted by persons of their choice who are not attorneys.

(b) The right to examine, not less than 2 business days before a scheduled hearing, a list of all witnesses who will testify and all documents, records, files, account data, and similar material that may be relevant to the issues to be raised at the hearing.

(c) The right to present evidence, testimony, and oral and written argument.

(d) The right to question witnesses appearing on behalf of the other party.

(2) A hearing shall be held during normal business hours. The Cooperative shall take reasonable steps to ensure that a member who is unable to attend a hearing due to physical incapacity is not denied the right to a hearing. Failure of the member, or the Cooperative, to attend the hearing without good reason, or without having requested an adjournment, constitutes a waiver of that party's right to the hearing.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-74.00)

(3) The Cooperative has the burden of proof by a preponderance of the evidence.

(4) All witnesses who appear for either party shall testify under oath.

(5) A hearing shall be informal and the proceedings need not be recorded or transcribed. All relevant evidence shall be received and the formal rules of evidence shall not apply.

(6) For each hearing where the member has not put his or her position in writing, the hearing officer shall compile a record that contains all of the following:

(a) A concise statement, in writing, of the position of the Cooperative.

(b) A concise statement, in writing, of the position of the member.

(c) Copies of all evidence submitted by the parties.

(7) At the conclusion of the hearing, the hearing officer may orally state his or her findings and decision, or adjourn the hearing and inform the parties that the decision will be transmitted within 7 business days. At the request of the member, the hearing officer shall adjourn the hearing and transmit the decision within 7 business days. In all cases, the hearing officer shall issue a complaint determination in a form that is approved by the Board of Directors. The complaint determination shall contain both of the following:

(a) A concise summary of the evidence and arguments presented by the parties.

(b) The decision, and the reasons for the decision, based solely upon the evidence received.

(8) At the conclusion of the hearing and again upon issuance of the complaint determination, the hearing officer shall advise the member and the Cooperative of all of the following:

(a) That each party has the right to make an informal appeal to the **Board of Directors**, by mail, telephone, internet, fax, or in person, within 7 business days of issuance of the complaint determination.

(b) That, if appealed, the decision of the hearing officer, including a finding that service may be shut off, cannot be implemented until a review by the Board of Directors is completed.

(c) The address and telephone number where the member or the Cooperative may make an informal appeal to the Board of Directors.

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B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-75.00)

(9) Before issuance of a complaint determination, the hearing officer may propose a settlement to the parties. If both parties accept the settlement, it shall be put in writing and signed by both parties.

(10) Within 7 business days of the conclusion of the hearing, the hearing officer shall serve the parties with all of the following:

(a) A copy of the complaint determination.

(b) Appeal information as provided in subrule (8) of this rule.

(c) If applicable, a copy of the signed settlement agreement as provided in subrule (9) of this rule.

(11) The complaint determination and a copy of the signed settlement agreement, if any, shall be made part of the hearing record. The hearing officer shall certify the hearing record.

(12) The complaint determination is binding upon the parties.

R 460.1634 Informal appeal procedures.
This rule has been deleted.

R 460.1635 Interim determination.

This rule has been deleted.

R 460.1636 Appeal review.

This rule has been deleted.

R 460.1637 Shutoff pending decision.

This rule has been deleted.

R 460.1638 Informal appeal decision.

This rule has been deleted.

R 460.1639 Failure to comply with informal appeal decision.

This rule has been deleted.

(Continued on Sheet No. B-77.00)

B4 BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS MEMBERS
(Cont'd from Sheet No. B-76.00)

R 460.1640 Scope of rules.

Rule 40. (1) Nothing contained in these rules covering billing practices applicable to non-residential electric and gas members should be implemented in a manner that circumvents or is inconsistent with these rules, commission orders, or Cooperative tariffs approved by the commission to ensure the safe and reliable delivery of energy service.

(2) After notice and an opportunity to be heard, utilities determined by the commission to be in violation of these rules shall be subject to all damages and fines contained within the statutes under which these rules are promulgated. Upon written request of a person, utility, or on its own motion, the commission may temporarily waive any requirements of these rules when it determines the waiver will further the effective and efficient administration of these rules and is in the public interest.

(3) Upon written request of a person, utility, or on its own motion, the commission may temporarily waive any requirements of these rules when it determines the waiver will further the effective and efficient administration of these rules and is in the public interest.

SECTION C
STANDARD RULES AND REGULATIONS
(FOR ALL MEMBER-CONSUMERS)

SECTION I - INTRODUCTION

A. These rules and regulations set forth the terms and conditions under which electric service will be provided by the Cooperative. They shall apply to all classes of service and shall govern the terms of all contracts for such service except that the Cooperative reserves the right to enter into special contracts subject to the general regulations of the Board of Directors of Presque Isle Electric & Gas Co-op ("Board"). Failure of the Cooperative to enforce any of the terms of these rules and regulations shall not be deemed as a waiver of the right to do so.

B. Any promises or agreements made by agents or employees of the Cooperative which are not in conformance with these rules and regulations, nor with the terms of special contracts executed by authorized representatives of the Cooperative shall not have binding effect on the Cooperative.

C. No ownership rights in any facilities provided by the Cooperative shall pass to any person as a result of any contribution or deposit made under these rules. No deposits or contributions made by Member-Consumers shall be refundable unless expressly so provided in these rules.

D. Copies of the Cooperative's Rules and Regulations and Rate Schedules for electric service are open to public inspection at the Cooperative's offices and are available upon request.

SECTION II - TERMS AND CONDITIONS OF SERVICE

A. Membership and Electric Service

Each Applicant for electric service may be required to sign the Cooperative's "Membership Application and Guarantee". Acceptance of service, with or without a signed application, shall be subject to compliance with the terms of the Standard Rules and Regulations and Rate Schedules as directed by the Board.

B. Ownership and Responsibility

1. Cooperative Owned Facilities - The Cooperative will normally install, own, operate and maintain all distribution facilities on the supply side of the point of attachment as shown on the Cooperative's Standard Drawings, including metering equipment. All service

(Continued on Sheet No. C-2.00)

(Continued from Sheet No. C-1.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

entrance conductor wiring from a point of connection to the Cooperative's service line at a location satisfactory to the Cooperative shall be the responsibility of the Member-Consumer. If building modifications hinder access to metering facilities, create a hazardous condition, or cause a violation of code, the Member-Consumer will be responsible for all costs incurred by the Cooperative to correct these conditions.

a. Access to Premises - The Member-Consumer shall provide at no expense to the Cooperative suitable space with provisions for installation and maintenance of the Cooperative's facilities on the Member-Consumer's premises. Authorized agents of the Cooperative shall have access to the premises at all reasonable times for construction, operation, maintenance, removal or inspection of the Cooperative's facilities, or to inspect the Member-Consumer's facilities or measure the Member-Consumer's load. Authorized employees and agents shall carry identification furnished by the Cooperative and shall display it upon request. Failure to provide access for any of the above reasons may result in termination of service.

b. Use of Facilities - The Cooperative will not allow use of its poles or other facilities by others for installations or attachments of any kind without written authorization from the Cooperative. This includes, but is not limited to, electrical or communication equipment, lights, signs and fences. The Cooperative assumes no liability for property owned by others attached to its facilities. Unauthorized attachments to Cooperative facilities may be removed by the Cooperative.

c. Protection - The Member-Consumer shall use reasonable diligence to protect the Cooperative's facilities located on the Member-Consumer's premises, and to prevent tampering or interference with such facilities. The Cooperative may discontinue service in any case where the meter or wiring on the Member-Consumer's premises has been tampered with or altered in any manner to allow unmetered or improperly metered energy to be used. In case of such unauthorized use of service, the Cooperative will continue service only after the Member-Consumer has agreed to pay for the unmetered energy used, cost of discovery, and make provisions and pay charges for an outdoor meter installation or other metering changes as may be required by the Cooperative. Failure to enter

(Continued on Sheet No. C-3.00)

(Continued from Sheet No. C-2.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

into such an agreement or failure to comply with the terms of such an agreement shall be cause to discontinue service in accordance with any applicable rules of the Cooperative. Restoration of service will be made upon receipt of reasonable assurance of the Member-Consumer's compliance with the Cooperative's approved Standard Rules and Regulations.

2. Member-Consumer Owned Facilities - The Cooperative reserves the right to deny or terminate service to any Member-Consumer whose wiring or equipment shall constitute a hazard to the Cooperative's equipment or its service to others. However, it disclaims any responsibility to inspect the Member-Consumer's wiring, equipment or any subsequent wiring changes or modifications and shall not be held liable for any injury or damage or billing errors resulting from the condition thereof.

   a. The Member-Consumer shall be responsible for inadequate performance of such facilities. Before purchasing equipment or installing wiring, it shall be the Member-Consumer's responsibility to check with the Cooperative as to the characteristics of the service available. Any changes required to bring Member-Consumer's service into compliance with code will be paid for by Member-Consumer. The Cooperative reserves the right to make reasonable service charges for work performed by Cooperative personnel resulting from malfunction of the Member-Consumer's facilities.

   b. The Member-Consumer shall be responsible for notifying the Cooperative of any additions to or changes in the Member-Consumer's equipment which might exceed the capacity of the Cooperative's facilities, or otherwise affect the quality of service. The Member-Consumer shall also be responsible for the installation of auxiliary or standby equipment and of alarms and protective devices as required to provide reasonable protection in the event of disturbance or interruption of electrical service. The Member-Consumer shall install and maintain the necessary devices to protect the Member-Consumer's equipment against service interruptions and other disturbances on the Cooperative's system, as well as the necessary devices to protect the Cooperative's facilities against overload caused by the Member-Consumer's equipment. Characteristics and installation of all such equipment or devices shall meet the approval of the Cooperative.

(Continued on Sheet No. C-4.00)

(Continued from Sheet No. C-3.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

C. Use of Service

Each Member-Consumer shall, as soon as electric service becomes available, purchase from the Cooperative practically all electric energy used on the premise, and shall become liable for all charges incurred in the purchase of said electrical energy from the Cooperative. Standby and/or supplemental on-site generation may be utilized only if approved by the Cooperative and properly connected.

1. Notice of Intent

   a. Application - Prior to use of electric service, each Member-Consumer shall make proper application to the Cooperative, and shall furnish all reasonable information required by the Cooperative. Failure to comply with this requirement may result in refusal by the Cooperative to provide service.

      Any Member-Consumer using service without first notifying and enabling the Cooperative to establish a beginning meter reading may be held responsible for any amounts due for service supplied to the premises from time of last reading reported immediately preceding the Member-Consumer's occupancy.

   b. Termination - Any Member-Consumer desiring termination of service shall so notify the Cooperative a minimum of five (5) working days in advance so the service may be discontinued on a mutually agreeable date. Member-Consumers failing to give proper notice of intent to vacate the premises may be held responsible for use of service until a meter reading acceptable to the Cooperative is obtained.

2. Conditions of Use

   The Member-Consumer shall not use the service in any way that causes a safety hazard, endangers the Cooperative's facilities, or disturbs service to other Member-Consumers. Failure to comply with this provision may result in discontinuance of the Member-Consumer's service.

   Member-Consumer shall install only such motors or other apparatus or appliances as are suitable for operation with the character of the service supplied by Cooperative, and electric energy must not be used in such a manner as to cause detrimental voltage fluctuations or disturbances in Cooperative's distribution system.

(Continued on Sheet No. C-5.00)

(Continued from Sheet No. C-4.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

3. Nonstandard Service

Member-Consumers shall be liable for the cost of any special installation necessary to meet particular requirements for service at other than standard voltages or for the supply of closer voltage regulation than required by standard practice.

The usual supply of electric service shall be subject to the provisions set forth by the Board of Directors and, if applicable, the Commission rules, but where special service-supply conditions or problems arise for which provision is not otherwise made, the Cooperative may modify or adapt its supply terms to meet the peculiar requirements of such case.

The Cooperative reserves the right to make special contractual arrangements as to the provision of necessary service facilities, duration of contract, minimum bills, or other service conditions with respect to Member-Consumers whose establishments are remote from the Cooperative's existing suitable facilities, or whose service requirements exceeds the capabilities of the Cooperative system in the area, or otherwise necessitate unusual investments by the Cooperative in service facilities or where the permanence of the service is questionable.

4. Resale of Electric Energy

Member-Consumers shall not resell to, or share with others, any electric service furnished by the Cooperative under the terms of its filed rate schedules not applicable to such resale of energy, unless otherwise authorized by the Board and the Michigan Public Service Commission.

5. Service to Single Metering Points

Where resale of electric service exists, the Cooperative will be under no obligation to furnish or maintain meters or other facilities for the resale of service by the reselling Member-Consumer to the ultimate user.

Electric service will no longer be granted where connection is made to a single metering point for the purpose of resale to the reselling Member-Consumer's ultimate user. Each user will be metered as an individual unit. For the purposes of this rule, resale will also include sales where the electric service is included in the rent.

(Continued on Sheet No. C-6.00)

(Continued from Sheet No. C-5.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

6. Point of Attachment

Where suitable service is available, the Cooperative will install service connections from its distribution lines to a suitable point of attachment on the Member-Consumer's premises designated by the Cooperative. Where the Member-Consumer requests a point of attachment other than that specified by the Cooperative, and such alternative point of attachment is approved by the Cooperative, the cost of installing additional intermediate supports, wires or fixtures necessary to reach the point of attachment requested by the Member-Consumer, shall be borne by the Member-Consumer.

Should it become necessary for any cause beyond the Cooperative's control to change the location of the point of attachment of service connections, the entire cost of any changes in the Member-Consumer's wiring made necessary thereby shall be borne by the Member-Consumer.

A service connection will not be made unless the Member-Consumer has installed the Member-Consumer's service entrance facilities in compliance with code requirements and specifications set forth by the Cooperative.

The Member-Consumer may be required to provide at no expense to the Cooperative, space for Cooperative facilities on the Member-Consumer's premises.

For overhead service, the location of the point of attachment must be such that the Cooperative's service conductors can be **installed** without attachment to the building in any other locations.

For underground service, the point of attachment may be on the building, meter pedestal, or other agreed point.

Service will be provided to meter poles for farm service or other service where more than one structure is to be supplied from a single meter. The Member-Consumer shall be required to install a fused disconnect switch on the pole at the Member-Consumer's own expense in accordance with Cooperative specifications.

(Continued on Sheet No. C-7.00)

(Continued from Sheet No. C-6.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

7. Service to House Trailers, Vans, Buses, Used as Dwelling Units

The Cooperative will make service connection to house trailers, vans, buses, or any other dwelling of a mobile nature without special charges, except as specified herein under Section III, when the Member-Consumer owns the premises and has installed an approved septic tank and well for the Member-Consumer's own use.

If the above conditions are not met, such installation and service facilities shall be considered to be Temporary Service as applicable under Section III, C. 2.

D. Nature and Quality of Service

The Cooperative will endeavor to, but does not guarantee to furnish a continuous supply of electric energy and to maintain voltage and frequency within reasonable limits.

The Cooperative shall not be liable for interruptions in the service, phase failure or reversal, or variations in the service characteristics, or for any loss or damage of any kind of character occasioned thereby, due to causes or conditions beyond the Cooperative's control, and such causes or conditions shall be deemed to specifically include, but not be limited to, the following: acts or omissions of Member-Consumers or third parties; operation of safety devices, except when such operation is caused by the negligence of the Cooperative, absence of an alternate supply of service; failure, malfunction, breakage, necessary repairs or inspection of machinery, facilities or equipment when the Cooperative has carried on a program of maintenance consistent with the general practices prevailing in the industry; act of God, war; action of the elements; storm or flood; fire; riot; labor dispute or disturbances; or the exercise of authority or regulation by governmental or military authorities.

The Member-Consumer shall be responsible for giving immediate notice to the Cooperative of interruptions or variations in electric service so that appropriate corrective action can be taken.

The Cooperative reserves the right to temporarily interrupt service for construction, repairs, emergency operations, shortages in power supply, safety, and State or National emergencies and shall be under no liability with respect to any such interruption, curtailment or suspension.

(Continued on Sheet No. C-8.00)

(Continued from Sheet No. C-7.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

E. Metering and Metering Equipment

The Member-Consumer shall provide, free of expense to the Cooperative and close to the point of service entrance, a space suitable to the Cooperative for the installation of the necessary metering equipment. The Member-Consumer shall permit only authorized agents of the Cooperative or other persons lawfully authorized to do so, to inspect, test or remove the same. If the meters or metering equipment are damaged or destroyed through the neglect of the Member-Consumer, the cost of necessary repairs or replacements shall be paid by the Member-Consumer.

The Cooperative reserves the right to make final decision with respect to methods and equipment used in measurement of loads for billing purposes.

1. Meter Testing - All testing of metering equipment will be done by qualified personnel, either Cooperative employees or by independent agents meeting the requirements of both the Cooperative and the Commission. The Cooperative may, at its option, either conduct field tests on the Member-Consumer's premises, or remove metering equipment for shop testing.

    a. Routine Tests - The Cooperative will, through test procedures established by the Commission, endeavor to maintain its metering equipment within the accuracy limits prescribed by the Commission.

    b. Tests Requested by Member-Consumer - Tests of individual meters will be made upon request of the Member-Consumer, with payment of a meter test fee in advance of the test. The Cooperative reserves the right to refuse to test any meter upon request more frequently than once in six (6) months. If such test reveals meter registration of more than 102% of that of the test equipment, the charge will be refunded and a billing adjustment made. If meter accuracy is found to be within the plus or minus two percent (2%) accuracy range, the charge will not be refunded and a billing adjustment will not be required. When it appears that there may be sufficient reason to question meter accuracy (for example, a marked increase in metered consumption without a corresponding change in a Member-Consumer's living or working patterns or in the number and kind of appliances or equipment in use on the Member-Consumer's premises), the Cooperative may waive the meter test charge or it may install a second meter, at no charge to the member, to provide check readings.

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(Continued from Sheet No. C-8.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

c. Failure to Register - When a meter has stopped, or has failed to register all of the energy used, the Cooperative will make a charge to the Member-Consumer for the energy estimated to have been used.

2. Location of Meters - Meters for all single family residential service will be installed outdoors. Meters for other services may be installed outdoors if they are located so they are protected from traffic and are readily accessible for reading and testing. Meters which must be protected from inclement weather while being serviced or tested shall be located indoors or in a suitable housing where such work can be performed.

Meters located indoors shall be as near as possible to the service entrance, in a clean, dry place, reasonably secure from injury, not subject to vibration, and readily accessible for reading and testing.

In cases of multiple buildings such as two-family flats or apartment buildings, if the meters are installed indoors, they shall be located within the premises served or at a common location readily accessible to the tenants and the Cooperative.

An authorized representative of the Cooperative will determine the acceptability of the meter location in all cases.

F. Special Charges

The Company will make such charges for reasonable special services as necessary to discourage abuse, and to minimize subsidy of such services by other members. The following schedule shall apply where applicable:

1. Charge for Any Special Services at Member-Consumers Request –

During Regular Working Hours	$50
Outside Regular Working Hours	$125
Meter Reading Charge	$20
Meter Test Charge	$55

(Continued on Sheet No. C-10.00)

(Continued from Sheet No. C-9.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

Reconnect Charge –During Regular Working Hours	$50
Reconnect Charge--Outside Regular Working Hours	$125
Collection Charge when Nonpayment Disconnect Order is written	$20
Bad Check Handling Charge	$25
Energy Audit	$15
Account Transfer	$10
Bois Blanc Service Call	$75
Automatic Meter Reading (AMR) Charge (monthly)	$ 5

2. Fee Applicable to the Transfer of Accounts

In those instances where the Cooperative is required to transfer a Member-Consumer's account to another Member-Consumer, the Cooperative will require that a $10.00 transfer fee be paid by the Member-Consumer who will be receiving the account.

G. Other Conditions of Service

1. Service Disconnect - Service to the Member-Consumer's premises may be disconnected by the Cooperative under the following conditions:

a. At Member-Consumer's Request

(1) Upon Termination - The Cooperative will disconnect service with no charge to the Member-Consumer upon due notice as provided elsewhere in these rules. However, if restoration of service at the same location is requested by the same Member-Consumer or property owner(s), a reconnect charge will be applied. The reconnect charge will be increased by the amount of the minimum charge in the applicable rate schedule for the months service was disconnected, provided such reconnect is made during the twelve (12) month period immediately following disconnect. **The minimum charge applies to any fixed rates in current tariffs and equates to the minimum amount of the bill with zero consumable usage.**

(Continued on Sheet No. C-11.00)

(Continued from Sheet No. C-10.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

(2) For Repairs - The Cooperative will temporarily disconnect service to facilitate repairs or other work on the Member-Consumer's equipment or premises. Special service charges as set forth in Section II, F, will be applicable.

b. At Cooperative's Option - Commercial and Industrial (Also see Section II, D)

(1) With Due Notice - The Cooperative may disconnect service upon due notice for any of the following reasons:

(a) For violation of these rules and regulations.

(b) For failure to fulfill contractual obligations.

(c) For failure to provide reasonable access to the Member-Consumer's premises.

(d) For failure to pay any bill within the established collection period.

(e) For failure to provide deposits as provided elsewhere in these rules.

(f) Upon written notice from governmental inspection authorities of condemnation of the Member-Consumer's facilities or premises.

(g) For fraudulent representation as to the use of service.

(2) Without Notice - The Cooperative reserves the right to disconnect service without notice for any of the following reasons:

(a) Where hazardous conditions exist in the Member-Consumer's facilities.

(b) Where the Member-Consumer's use of service adversely affects the Cooperative's facilities or service to other Member-Consumers.

(Continued on Sheet No. C-12.00)

(Continued from Sheet No. C-11.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

(c) For unauthorized reconnection after disconnection with due notice.

(d) For unauthorized use of, or tampering with, the Cooperative's service or facilities.

(3) Reconnect - After service has been discontinued at the Cooperative's option for any of the above reasons, service will be reconnected only after the Member-Consumer has taken necessary corrective action and made satisfactory arrangement for payment of all fees and charges, including any applicable reconnect fees and deposits, to guarantee payment for service. The reconnect charge will be increased by the amount of the minimum charge in the applicable rate schedule for the months service was disconnected, provided such reconnect is made during the twelve (12) month period immediately following disconnect.

2. Rate Application - The rates specified in this schedule are predicated upon the delivery of each class of service to a single metering point for the total requirements of each separate premises of the Member-Consumer, unless otherwise provided for in these rules and regulations. In no case may service be shared with another or transmitted off the premises at which it is delivered. Service at different points and at different premises shall be separately metered and separately billed.

a. Selection of Rates - In some cases the Member-Consumer is eligible to take service under any one or two or more rates. Upon request, the Cooperative will advise the Member-Consumer in the selection of the rate which will give the Member-Consumer the lowest cost of service, based on the information provided to the Cooperative, but the responsibility for the selection of the rate lies with the Member-Consumer.

After the Member-Consumer has selected the rate under which the Member-Consumer elects to take service, the Member-Consumer will not be permitted to change from that rate to another rate until at least twelve months have elapsed. Neither will the Member-Consumer be permitted to evade this rule by temporarily terminating service. However, the Cooperative may, at its option, waive the provisions of this paragraph where it appears that an earlier change is requested for permanent rather than for temporary or seasonal advantage. The intent of this rule is to prohibit frequent shifts from rate to rate.

No refund will be made of the difference in charges under different rates applicable to the same class of service.

(Continued on Sheet No. C-13.00)

(Continued from Sheet No. C-12.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

b. Apartment Buildings and Multiple Dwellings - An apartment building or multiple dwelling shall be considered as one containing nine or more rooms in which single rooms, suites or groups of rooms have individual cooking and kitchen sink accommodations. Service supplied through a single meter to an apartment building or multiple dwelling containing less than three apartments may be billed on the residential service rates on a single Member-Consumer basis. Service supplied through a single meter to an apartment building or multiple dwelling containing three or more apartments shall be billed in accordance with the following provisions:

(1) Apartment Buildings or Multiple Dwellings Containing Three or Four Apartments - The Member-Consumer may have the option of being billed under either the Residential Service Rate, the Residential Electric Heating Service Rate for electric heating Member-Consumers, or the appropriate General Service or Commercial and Industrial Service Rate. For the purpose of billing under either the Residential Service Rate, or the Residential Electric Heating Service Rate, the initial charge, the kilowatt-hour blocks and the minimum charge shall be multiplied by the number of apartments served through one meter.

(2) Apartment Buildings or Multiple Dwellings Containing Five or More Apartments - The Member-Consumer shall be billed under the appropriate General Service or Commercial and Industrial Service Rate.

(3) "Master Metering" will be limited to existing Member-Consumers.

c. Homes or Dormitories for Groups Other Than Private Family Units - Service supplied through a single meter to rooming houses, dormitories, nursing homes, and other similarly occupied buildings containing sleeping accommodations for more than six persons shall be classified as commercial and billed on the appropriate service rate.

(Continued on Sheet No. C-14.00)

(Continued from Sheet No. C-13.00)

SECTION II – TERMS AND CONDITIONS OF SERVICE (Cont'd)

d. Farm Service - Service shall be available to farms for residential use under either Residential Service Rate, or the Residential Electric Heating Service Rate for heating Member-Consumers, and in addition service may be used through the same meter for any purpose as long as such use is confined to service for the culture, processing and handling of products grown or used on the Member-Consumer's farm. Use of service for purposes other than set forth above shall be served and billed on the appropriate General Service Rate.

e. Year-Round Service - Service to Member-Consumer at the address shown on the Member-Consumer's driver's license and Primary Residence Exemption Affidavit (PRE).

f. Seasonal Service - Service to Member-Consumers other than to year-round Member-Consumers.

3. Deposits - Commercial and Industrial

a. Amount of the deposit will be limited to not more than 0twenty-five percent (25%)of the Member-Consumer's estimated annual bill.

b. Interest on deposits will be accrued at a rate equal to the interest rate paid on United States savings bonds, series EE, as of the first business day of the calendar year and will be paid semi-annually or at the time the deposit is returned.

c. Deposits will be refunded when the Member-Consumer has established a satisfactory payment record with the Cooperative. Payment on time of bills for utility service for two (2) years shall be evidence of satisfactory credit.

d. The Cooperative may require a new or increased deposit from an existing Member-Consumer when it determines that the Member-Consumer's payment record with the Cooperative has become unsatisfactory. An unsatisfactory payment record is one consisting of two or more late payments in any twelve (12) month period or one necessitating the discontinuation of energy service.

e. Failure to make the required deposit as a condition to receiving service shall constitute grounds for discontinuance of service.

f. Deposits with accrued interest shall be refunded or credited to the final bill after discontinuance of service.

(Continued on Sheet No. C-15.00)

(Continued from Sheet No. C-14.00)

SECTION III - CONSTRUCTION POLICY

This section of the rules and regulations sets forth the terms and conditions under which the Cooperative will construct and extend its facilities to service new loads and replace, relocate or otherwise modify its facilities.

All inquiries for new electric service, with the exception of Outdoor Lighting Service, will require payment of a nonrefundable application charge of $100.00, which shall be paid at the time of inquiry.

Contributions in aid of construction and other deposits, with the exception of the $100.00 application charge, made with the Cooperative under the provisions of this section shall be considered refundable.

No refunds will be made in excess of the refundable amount deposited, and deposits shall not bear interest. Refunds, where applicable, will be made in accordance with the terms stated hereinafter.

Each distribution line extension shall be a separate, distinct unit and any further extension therefrom will have no effect upon the agreements under which such extension is constructed.

A. Overhead Extension Policy

1. Residential Service

a. Charges - For each permanent, year-round dwelling, the Cooperative will provide a single-phase line extension of up to 1,000 feet in accordance with the line extension fee schedule (Sheet 15.01). Single phase line extensions in excess of 1,000 will be considered “Nonstandard Services” and addressed per Section II, Paragraph 3. Nonstandard Service which can be found on page C-5.00 of this document.

(Continued on Sheet No. C-15.01)

(Continued from Sheet No. C-15.00)

Line Extension Fee Schedule (Less than 1,000 feet)	
Application Fee (non-refundable)	**$100.00**
Base Construction Fee (minimum charge)	**$200.00**
Overhead Line Construction	
Primary single phase (per foot)	$5.50
Secondary single phase (per foot)	$5.00
Pole with security light installation	$350.00
Transition Riser Fee	
Secondary	$200.00
Primary single phase	$800.00
Underground line Construction	
Primary single phase (per foot)	$7.00
Secondary single phase (per foot)	$7.00
Rock digging charge (per foot additional)	$3.00
Hand digging charge (per foot additional)	$12.00
Winter Charge (per foot additional)*	$3.00
Directional bore:	
Set up fee (minimum charge)	$350.00
Per foot fee (in addition to minimum)	$10.00
*Winter construction shall be in PIE&G's sole discretion	
Brushing / Right of Way Clearing	
Base fee (minimum charge)	$100.00
Single side - (cost per foot additional)	$2.50
Double side - (cost per foot additional)	$4.00
Permits (vary)	
County Road Permit	varies
State Highway Permit	varies
DNR / Wet Land Permit	varies

(Continued on Sheet No. C-16.00)

(Continued from Sheet No. C-15.01)

SECTION III - CONSTRUCTION POLICY (Cont'd)

b. Measurement - The length of any main line distribution feeder extension will be measured along the route of the extension from the Cooperative's nearest facilities from which the extension can be made to the Member-Consumer's point of service. Should the Cooperative for its own reasons choose a longer route, the applicant will not be charged for the additional distance. However, if the Member-Consumer requests special routing of the line, the Member-Consumer will be required to pay the extra cost resulting from the special routing.

c. Refunds - During the five (5) year period immediately following the date of payment, the Cooperative will make refunds of the charges paid for a financed extension under provisions of Paragraph (a) above. The amount of any such refund shall be $500.00 for each permanent electric service subsequently connected directly to the facilities financed by the Member-Consumer. Directly connected Member-Consumers are those which do not require the construction of more than 300 feet of lateral primary distribution line. Such refunds will be made only to the **First Revised** Member-Consumer. The total refund shall not exceed the refundable portion of the contribution.

2. Commercial or Industrial Service

a. Cooperative Financed Extensions - Except for contributions in aid of construction for underground service made under the provisions of Section III, B of these rules, the Cooperative will finance the construction cost necessary to extend its facilities to serve commercial or industrial Member-Consumers when such investment does not exceed three (3) times the annual revenue anticipated to be collected from Member-Consumers initially served by the extension.

b. Charges - When the estimated cost of construction of such facilities exceeds the Cooperative's maximum initial investment as defined in Paragraph a, the applicant shall be required to make a deposit in the entire amount of such excess construction costs. Owners or developers of mobile home parks shall be required to deposit the entire amount of the estimated cost of construction, subject to the refund provisions of Paragraph (c).

(Continued on Sheet No. C-17.00)

(Continued from Sheet No. C-16.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

c. Refunds - That portion of the deposit related to the difference in the cost of underground construction and the equivalent overhead facilities shall be considered nonrefundable.

This amount shall be determined under applicable provisions of the Cooperative's underground service policy as set forth in this section. The Cooperative will make refunds on remaining amounts of deposits collected under the provisions of Paragraph b above in cases where actual experience shows that the electric revenues supplied by the Member-Consumer are sufficient to warrant a greater initial investment by the Cooperative. Such refunds shall be computed as follows:

(1) **First Revised** Member-Consumer At the end of the first complete 12-month period immediately following the date of the initial service, the Cooperative will compute a revised initial investment based on three (3) times the actual revenue provided by the **First Revised** Member-Consumer in the 12-month period. Any amount by which three times the actual annual revenue exceeds the Cooperative's initial investment will be made available for refund to the Member-Consumer; no such refund shall exceed the amount deposited under provisions of Paragraph (b) above.

(2) Additional New Member-Consumers - Refunds for additional new Member-Consumers directly connected to the financed extensions during the refund period will be governed by Section III, A, 1, c.

3. Service Extensions to Loads of Questionable Permanence

When service is requested for loads of questionable permanence, such as, but not limited to, saw mills, mixer plants, gravel pits, oil wells, oil facilities, etc., the Cooperative will install, own, operate and maintain all distribution facilities up to the point of attachment to the Member-Consumer's service equipment subject to the following:

a. Charges - Prior to the commencement of construction, the Member-Consumer shall make a deposit with the Cooperative in the amount of the Cooperative's estimated construction and removal less cost of salvage. Such estimates shall include the cost of extending the Cooperative distribution facilities and of increasing capacity of its existing facilities to serve the Member-Consumer's load.

(Continued on Sheet No. C-18.00)

(Continued from Sheet No. C-17.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

b. Refunds - At the end of each year the Cooperative will make a refund on the amount deposited from revenues derived from the Member-Consumer for electric service from the facilities covered by the deposit. The amount of such refund for any given year or part thereof shall be computed as follows:

(1) Year to year for the first four years of the deposit period.

(a) Twenty percent (20%) of the deposit if this amount is equal to or less than 20% of the new annual revenue, excluding fuel adjustment and sales tax revenues.

(b) Twenty percent (20%) of the new annual revenue excluding fuel adjustment and sales tax revenues if this amount is less than 20% of the deposit.

(2) The final year of the five-year refund period.

(a) If at the end of the five-year refund period, the total revenue for that period, excluding fuel adjustment and sales tax revenues, is equal to or greater than five (5) times the **First Revised** deposit, the balance of the deposit will be refunded.

(b) If at the end of the five-year refund period, the total revenue, excluding fuel adjustment and sales tax revenue, is less than five (5) times the **First Revised** deposit, the refund for the fifth year will be applied in accordance with 1 (a) or (b) above.

No refund is to be made in excess of the deposit and the deposit shall bear no interest.

B. Underground Service Policy

1. General

This portion of the rules provides for the extension and/or replacement of underground electric distribution facilities. The general policy of the Cooperative is that real estate developers, property owners or other applicants for underground service shall make a contribution in aid of construction to the Cooperative in accordance with the line extension fee schedule (Sheet C-15.01).

(Continued on Sheet No. C-19.00)

(Continued from Sheet No. C-18.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

The Cooperative, at the request of the developer, will install an underground electric distribution system for all new residential subdivisions, mobile home parks, multiple occupancy building complexes, and commercial subdivisions, in cooperation with the developer or owner, evidenced by a signed agreement, and in compliance with the following specific conditions:

The developer or owners must provide for recorded easements or rights-of-way acceptable to the Cooperative. The easements are to be coordinated with other utilities and will include easements for street-lighting cable.

The developer or owner must provide for grading the easement to finished grade or for clearing the easement of trees, large stumps and obstructions sufficiently to allow trenching equipment to operate. Survey stakes indicating easements, lot lines and grade must be in place. The developer or owner must certify to the Cooperative that the easements are graded to within four (4) inches of final grade before the underground distribution facilities are installed.

The developer or owner requesting underground construction must make a nonrefundable contribution to the Cooperative for primary switching cabinets. When a switching cabinet is required exclusively for one Member-Consumer, that Member-Consumer will contribute the actual installed cost of the switching cabinet. When more than one Member-Consumer is served from the switching cabinet, each Member-Consumer's contribution will be the prorated total installed cost of the switching cabinet based on the number of positions required for each Member-Consumer.

If trenching is required where practical difficulties exist, such as in rock or in sodden ground or when boring under streets, driveways, patios or any other paved areas, the appropriate fees per the fee schedule (Sheet C-15.01) for such additional costs will apply.

(Continued on Sheet No. C-20.00)

(Continued from Sheet No. C-19.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

The developer or owner will be responsible for any costs of relocating Cooperative facilities to accommodate changes in grade or other changes after underground equipment is installed, and also be responsible for any damage to Cooperative facilities caused by his/her operations or the operations of his/her contractors. An amount equal to the total costs involved, including overheads, is required for relocation or rearrangement of facilities whether specifically requested by the developer or owner, or due to the facilities becoming endangered by a change in grade.

An additional amount per the fees schedule (Sheet C-15.01) shall be added for practical difficulties associated with winter construction in the period from December 15 to March 31 inclusive. This charge will not apply to jobs which are ready for construction and for which the construction meeting has been held prior to November 1.

2. Residential Service

These provisions will apply to permanent dwellings. Mobile homes will be considered permanent dwellings when meeting the Cooperative's requirements for permanent installations.

a. New Platted Subdivisions

Distribution facilities in all new residential subdivisions and existing residential subdivisions in which electric distribution facilities have not already been constructed shall be placed underground, except that a lot facing a previously existing street or county road and having an existing overhead distribution line on its side of the street or county road shall be served with an underground service from these facilities and shall be considered a part of the underground service area.

(1) Distribution System - The Cooperative will install an underground distribution system, including primary and secondary cable and all associated equipment, to provide service to the lot line of each lot in the subdivision.

(Continued on Sheet No. C-21.00)

(Continued from Sheet No. C-20.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

For the purposes of definition, all one-family and two-family buildings on individual lots are residential. The Cooperative will furnish, install, own and maintain the entire underground electric distribution system including the service lateral cables for new residential subdivisions. The trenches for primary or secondary main cables will be occupied jointly by facilities of the Cooperative and other utilities where satisfactory agreement for reimbursement exists between the Cooperative and other utilities.

The service normally available from the system will be at secondary voltage, single-phase, three wire, 60 Hz. Three phase service will be made available for schools, pumping stations, and other special installations only under terms of a separate agreement. Certain related equipment, such as pad-mounted transformers, switching equipment and service pedestals may be above grade. The area must be suitable for the direct burial installation of cable.

The use of the lot front-foot measurements in these rules shall not be construed to require that the underground electric distribution system be placed at the front of the lot.

Where sewer and/or water lines will parallel Cooperative cables, taps must be extended into each lot for a distance of four (4) feet beyond the route of the cables prior to installation of the cables.

The property owner shall not make any changes in established grade in or near the easement that will interfere with utility facilities already installed. In the event the property owner requests relocation of facilities, or such facilities are endangered by change in grade, the property owner shall pay the cost of the relocation or rearrangement of the facilities.

(a) Charges - Prior to commencement of construction, the owner or developer shall deposit with the Cooperative an amount equal to the estimated cost of construction of the distribution system. in accordance with the line extension fee schedule (Sheet C-15.01).

(Continued on Sheet No. C-22.00)

(Continued from Sheet No. C-21.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

(b) Refunds - The amount available for refund shall be the initial deposit for estimated construction costs less any non-refundable fees.

Following completion of its construction work order covering construction of the distribution system, the Cooperative will refund any amount by which its **First Revised** estimate exceeds the actual construction costs. During the five (5) year period immediately following completion of the construction, the Cooperative will refund $500.00 for each permanent residential Member-Consumer connected within the subdivision. Such refunds will be made only to the **First Revised** depositor and in total shall not exceed the refundable portion of the deposit. The deposit shall bear no interest.

(c) Measurement –The measurement used for routing buried power cables will be the actual measurement based on the engineering design to serve the subdivision.

(Continued on Sheet No. C-23.00)

(Continued from Sheet No. C-22.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

(2) Service Laterals - The Cooperative will install, own, operate and maintain an underground service lateral from termination of its facilities at the property line to a metering point on each new residence in the subdivision.

A. Contribution - For a standard installation the applicant shall make a contribution in aid of construction in accordance with the line extension fee schedule (Sheet C-15.01).

B. Measurement - The measurement shall be determined by measuring the distance from the termination of Cooperative facilities at the property line along the route of the trench to a point directly beneath the electric meter.

b. Other Residential Underground Facilities

At the option of the applicant(s), the Cooperative will provide underground facilities from existing overhead facilities in unplatted areas or in subdivisions where overhead electric distribution facilities have been installed.

The Cooperative reserves the right to refuse to install its facilities underground in cases where, in the Cooperative's opinion, such construction would be impractical or present a potential detriment to the service to other Member-Consumers. The Cooperative may designate portions of existing subdivisions as "underground service areas" where, in the Cooperative's opinion, such designation would be desirable for aesthetic or technical reasons. All future applicants for service in areas so designated will be provided with underground service subject to the applicable provisions of these rules.

(1) Extension of Existing Distribution Systems in Platted Subdivisions

Any such extension shall be considered a distinct, separate unit, and any subsequent extension therefrom shall be treated separately.

(Continued on Sheet No. C-24.00)

(Continued from Sheet No. C-23.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

A. Charges - Prior to commencement of construction, the applicant shall make a deposit in an amount in accordance with the line extension fee schedule (Sheet C-15.01).

B. Refunds - The Cooperative will make available for refund to the **First Revised** depositor from amounts contributed in aid of construction by subsequent applicants as provided in Paragraph (a) The total amount refunded shall not exceed the amount of the **First Revised** deposit, and will be made only to the **First Revised** depositor. The Cooperative will endeavor to maintain records for such purposes but the depositor is ultimately responsible to duly notify the Cooperative of refunds due; any refund not claimed within five (5) years after completion of construction shall be forfeited.

C. Measurement - The measurement used for routing buried power cables will be the actual distance measured based on the engineering design to serve the subdivision

(Continued on Sheet No. C-25.00)

(Continued from Sheet No. C-24.00)

SECTION III - CONSTRUCTION POLICY (Contd)

(2) Distribution Systems in Unplatted Areas - The Cooperative will extend its primary or secondary distribution system from existing overhead or underground facilities. When any such extension is made from an existing overhead system the property owner may be required to provide an easement(s) for extension of the overhead system to a pole on the Member-Consumer's property where transition from overhead to underground can be made.

Contribution - Prior to commencement of construction, the applicant shall make a contribution in aid of construction in accordance with the line extension fee schedule (Sheet C-15.01) Refunds will be based on the refund policy

(3) Service Laterals - The Cooperative will install, own, operate and maintain an underground service lateral from the termination of its primary or secondary system to a metering point on each new residence to be served. Such underground service laterals may be served either from an underground or overhead system.

(a) Contribution - When a service lateral is connected to an underground system the applicant shall make a contribution in aid of construction in accordance with the line extension fee schedule (Sheet C-15.01)

(b) Measurement - The measurement shall be determined by measuring the distance from the pole or underground secondary terminal to which the service lateral is connected along the route of the lateral trench to a point directly beneath the electric meter.

(Continued on Sheet No. C-26.00)

(Continued from Sheet No. C-25.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

3. Nonresidential Service

a. Commercial Service - Distribution facilities in the vicinity of new commercial loads and built solely to serve such loads will be placed underground (optional for companies serving Upper Peninsula). This includes service to all buildings used primarily for business purposes, where the major activity is the sale of goods or services at wholesale or retail. This category shall include, but not be limited to, apartment houses, motels and shopping centers.

It shall not be mandatory that any new commercial or industrial distribution systems or service connections be placed underground where, in the Cooperative's judgment, any of the following conditions exist:

Such facilities would serve commercial or industrial Member-Consumers having loads of temporary duration; or

Such facilities would serve commercial or industrial Member-Consumers in areas where little aesthetic improvement would be realized if such facilities were placed underground; or

Such facilities would serve commercial or industrial Member-Consumers in areas where it is impractical to design and place such facilities underground because of uncertainty of the size and character of the loads to be ultimately served therefrom.

The Cooperative will furnish, install, own and maintain the entire underground electric distribution system including the service lateral cables for new commercial subdivisions. Generally, the trenches will be occupied jointly by facilities of the Cooperative and other utilities where satisfactory agreement for reimbursement exists between the Cooperative and the other utilities.

The service for individual Member-Consumers within a commercial subdivision will be furnished as provided for in Underground Service Connections. Certain related equipment, such as pad-mounted transformers, switching equipment and service pedestals, may be above-grade.

(Continued on Sheet No. C-27.00)

(Continued from Sheet No. C-26.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

In the event the developer(s), owner(s), Member-Consumer(s) or tenant(s) requests relocation of facilities which are endangered by change in grade, the total cost of relocation or rearrangement of the facilities shall be borne by the requesting party.

The Cooperative will install underground service connections to commercial and industrial Member-Consumers and other installations within designated underground districts in cooperation with the developer or owner, evidenced by a separate signed agreement, subject to the following specific conditions:

When required, the developer or owner must provide suitable space and the necessary foundations and/or vaults for equipment and provide trenching, back-filling, conduits and manholes acceptable to the Cooperative for installation of cables on the property.

(1) Contribution - For standard installation of distribution facilities, the applicant(s) shall make a contribution in aid of construction based on actual cost estimates.

Transformers will be charged on an installed basis of $6.00 per KVA.

Service, as this term is generally understood in the electric utility field (on Member-Consumer's property), is charged based on actual cost estimates.

(2) Measurement - "measurement" shall be determined by measuring along the centerline of the trench as follows:

(a) Primary Extensions - shall be measured along the proposed route of the primary cable from the transition pole to each transformer or other primary termination.

(b) Secondary Extensions - shall be measured from each transformer or other secondary supply terminal along the route of the secondary cable to each secondary pedestal or termination.

(Continued on Sheet No. C-28.00)

(Continued from Sheet No. C-27.00)

SECTION III - CONSTRUCTION POLICY (Contd)

(c) Service Laterals - shall be measured from the pole or underground secondary terminal to which the service lateral is connected along the route of the lateral trench to the point of connection to the Member-Consumer's facilities.

b. Industrial Service - Distribution facilities in the vicinity of new industrial loads and built solely to serve such loads will be placed underground at the option of the applicant. This includes service to all buildings used primarily for the assembly, processing or manufacturing of goods.

Contribution - The applicant(s) shall make a contribution according to the provisions above for commercial service.

c. Mobile Home Parks - Distribution facilities in new mobile home parks shall be placed underground. Extension from existing overhead systems in mobile home parks will be placed underground at the option of the park owner.

The Cooperative will furnish, install, own and maintain the entire underground electric distribution system including the pre-meter portion of the service lateral cables for new mobile home parks. The trenches for primary or secondary main cables will be occupied jointly by facilities of the Cooperative and other utilities where satisfactory agreement for reimbursement exists between the Cooperative and the other utilities.

The service for tenant loads normally available from the system will be at secondary voltage, single-phase, 120/240 volt, three wire, 60 Hz. Three-phase service will be made available for pumps and service installations only under terms of a separate agreement. Certain related equipment, such as pad-mounted transformers, switching equipment, and service pedestals may be above-grade. The area must be suitable for the direct burial installation of cable.

This service is limited to mobile home parks in which the service is metered by the Cooperative at secondary voltage.

(Continued on Sheet No. C-29.00)

(Continued from Sheet No. C-28.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

Cooperative cables shall be separated by at least five feet from paralleling underground facilities which do not share the same trench. The park owner's cable systems, such as community antenna systems, should be in separate trenches, if possible. Subject to an agreement with the Cooperative, these cable systems may occupy the same trench. The park owner must agree to pay a share of the trenching cost plus the extra cost of the additional backfill if required and agree to notify the other using utilities when maintenance of the park owner's cables requires digging in the easement.

The park owner must provide for each mobile home lot a meter pedestal of a design acceptable to the Cooperative.

In the event the park owner requests relocation of facilities or such facilities are endangered by change in grade, the park owner shall pay the cost of the relocation or rearrangement of the facilities.

(1) Contribution - The park owner shall be required to make a contribution in aid of construction based on actual cost estimates.

4. Other Conditions

a. Obstacles to Construction - Where unusual construction costs by the Cooperative due to physical obstacles such as, but not limited to: rock, surface water, frost, other utility facilities, heavy concentration of tree roots, or roadway crossings,

(Continued on Sheet No. C-30.00)

(Continued from Sheet No. C-29.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

the applicant(s) shall make a nonrefundable contribution in aid of construction in accordance with the line extension fee schedule (Sheet C-15.01). The Cooperative reserves the right to refuse to place its facilities under road or railroad rights-of-way in cases where, in the Cooperative's judgment, such construction is impractical.

b. Contribution - Prior to commencement of construction, the applicant shall make a contribution in aid of construction in accordance with the line extension fee schedule (Sheet C-15.01) Refunds will be based on the refund policy

c. Geographical Exceptions - These rules apply uniformly to all portions of the Cooperative's service area.

d. Replacement of Overhead Facilities - Existing overhead electric distribution service lines shall, at the request of an applicant(s), be replaced with underground facilities where, in the opinion of the Cooperative, such replacement will not be detrimental to the electric service to other Member-Consumers.

Before construction is started, the applicant(s) shall be required to pay the Cooperative the depreciated cost (net cost) of the existing overhead facilities plus the cost of removal less the value of materials salvaged and also make a contribution in aid of construction toward the installation of underground facilities in accordance with the line extension fee schedule (Sheet C-15.01)

e. Underground Installations for Cooperative's Convenience - Where the Cooperative, for its own convenience, installs its facilities underground, the differential between estimated overhead construction costs and underground costs of such installation will be borne by the Cooperative.

(Continued on Sheet No. C-31.00)

(Continued from Sheet No. C-30.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

f. Underground Extensions on Adjacent Lands - When a primary extension to serve an applicant or group of applicants must cross adjacent lands on which underground construction is required by the property owner (such as on State or Federal lands) the applicant(s) shall make a contribution equal to the estimated difference in cost between the underground and equivalent overhead facilities. The Cooperative may establish a per foot charge to be considered the difference in cost. Such charge shall be adjusted from time to time to reflect the Cooperative's actual construction cost experience.

g. Local Ordinances - The Cooperative reserves the right, where local ordinance requirements are more stringent than these rules, to adjust all fees, charges, or other terms and conditions of providing underground extension as may be necessary or, if Commission approval is required, to apply to the Michigan Public Service Commission for such relief as may be necessary.

C. Miscellaneous General Construction Policy

Except where specifically designated as overhead or underground construction policies, the following general policies will be applied to either overhead or underground construction:

1. Easements and Permits

a. New Residential Subdivisions - The developer of a new residential subdivision shall cause to be recorded with the plat of the subdivision a public utility easement approved by the Cooperative for the entire plat. Such easement shall include a legal description of areas within the plat which are dedicated for utility purposes, and also other restrictions as shall be determined by the Cooperative for construction, operation maintenance and protection of its facilities.

b. Other Easement and Permits - Where suitable easements do not exist, the Cooperative will provide the necessary easement forms, and solicit their execution. The applicant(s), as a condition of service, will be ultimately responsible for obtaining all easements and permits as required by the Cooperative, for construction, operation, maintenance and protection of the facilities to be constructed. Where State or Federal lands are to be crossed to extend service to an applicant or group of applicants, the additional costs incurred by the Cooperative for rights-of-way and permit fees shall be borne by the applicant(s).

(Continued on Sheet No. C-32.00)

(Continued from Sheet No. C-31.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

2. Temporary Service

Member-Consumers desiring temporary service for a short time only, such as for construction jobs, traveling shows, outdoor or indoor entertainments or exhibitions, etc., shall pay the charge per Member-Consumer per month provided in applicable rate schedules. In addition, such Member-Consumer shall bear the cost of installing and removing the facilities in excess of any salvage value realized.

The Member-Consumer shall be required to deposit in advance of construction with the Cooperative an amount (in excess of any salvage realized) to cover the cost of installing and removing temporary facilities plus the estimated cost of service under the terms of applicable rate schedules.

Meters may be read daily and the deposit modified as the energy used may justify such modifications.

If service extends for a period in excess of six consecutive months, the Member-Consumer may qualify for **another** of the Cooperative's available rates, provided he/she meets all of the applicable provisions of the filed tariffs.

3. Moving of Buildings or Equipment

When the Cooperative is requested to assist in the moving of buildings or equipment through, under or over the Cooperative's distribution lines, the Cooperative will require a deposit from the mover in advance of providing such assistance. The amount of the deposit required will be based upon the Cooperative's estimate of the probable cost, but in no event will the required deposit be less than $100. Upon completion of moving assistance, the Cooperative will determine actual costs and will bill or credit the mover according to the difference between actual costs and the deposit, except that the minimum actual cost will not be less than $100. Actual costs will be determined in accordance with the following:

a. Within regular working hours

(1) Average individual wage rate applicable to employee(s) involved.

(2) Actual material used.

(3) Appropriate overhead charges.

(Continued on Sheet No. C-33.00)

(Continued from Sheet No. C-32.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

b. Outside regular working hours

(1) Overtime wage rate applicable to employee(s) involved.

(2) Actual materials used.

(3) Appropriate overhead charges

c. The minimum billing for moving assistance shall not be less than $100.00.

4. Relocation of Facilities

a. The Cooperative will cooperate with political subdivisions in the construction, improvement or rehabilitation of public streets and highways. It is expected that the Cooperative will receive reasonable notice so that any required relocation work can be properly scheduled.

b. If the Cooperative's poles, anchors or other appurtenances are located within the confines of the public right-of-way, the Cooperative will make the necessary relocation at its own expense with exceptions:

(1) The facilities were **First Revisedly** installed within the confines of the public right-of-way at the request of the political entity.

(2) Existing facilities being within the confines of a new public right-of-way obtained after the construction of the Cooperative's facilities.

(3) The facilities provide public services such as lighting, traffic signals, etc.

c. If the Cooperative's poles, anchors or other appurtenances are located on private property, the political subdivision must agree in advance to reimburse the Cooperative for any expenses involved in relocating its facilities.

d. When the Cooperative is requested to relocate its facilities for reasons other than road improvements, any expense involved will be paid for by the firm person or persons requesting the relocation, unless one or more of the following conditions are met:

(Continued on Sheet No. C-34.00)

(Continued from Sheet No. C-33.00)

SECTION III - CONSTRUCTION POLICY (Cont'd)

(1) The relocation is made for the convenience of the Cooperative.

(2) The relocation is associated with other regularly scheduled conversion or construction work at the same location and can be done at the same time.

c. Before actual relocation work is performed under Paragraph III, C, 4, c and d above, the Cooperative will estimate the cost of moving the poles, anchors or other appurtenances and an advance deposit in the amount of the estimate must be received from the firm, person or persons requesting such relocation. Upon completion of relocation work, the Cooperative will determine the actual costs of the relocation, and the firm, person or persons requesting the relocation will be billed or credited for the difference between the advance deposit and the actual cost.

5. Construction Schedules

Scheduling of construction shall be done on a basis mutually agreeable to the Cooperative and the applicant. The Cooperative reserves the right not to begin construction until the Member-Consumer has demonstrated to the Cooperative's satisfaction the Member-Consumer's intent to proceed in good faith with installation of the Member-Consumer's facilities by acquiring property ownership, obtaining all necessary permits and/or, in the case of mobile homes, meeting the Cooperative's requirements for permanency.

6. Design of Facilities

The Cooperative reserves the right to make final determination of selection, application, location, routing and design of its facilities. Where excessive construction costs are incurred by the Cooperative at the request of the Member-Consumer, the Member-Consumer may be required to reimburse the Cooperative for such excess costs.

7. Billing

For Member-Consumer(s) who fail to take service two (2) months after an extension has been completed to the premises and within the time period requested by the Member-Consumer(s), the Cooperative shall have the right, after said two (2) month period, to commence billing the Member-Consumer under the Cooperative's applicable rates and rules for the type of service requested by the Member-Consumer(s).

(Continued on Sheet No. C-35.00)

(Continued from Sheet No. C-34.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES

A. General

Emergency electrical procedures may be necessary if there is a shortage in the electrical energy supply to meet the demands of Member-Consumers in the electrical service area. It is recognized that such deficiencies can be short-term (a few hours) or long-term (more than a few hours) in duration; and, in view of the difference in nature between short- and long-term deficiencies, different and appropriate procedures shall be adopted for each.

Essential health and safety Member-Consumers given special consideration in these procedures shall, insofar as the situation permits, include the following types of Member-Consumers and such other Member-Consumers or types of Member-Consumers which the Commission may subsequently identify:

1. "Governmental Detention Institutions," which will be limited to those facilities used for the detention of persons.

2. "Fire Stations," which will be limited to attended, publicly-owned facilities housing mobile fire-fighting apparatus.

3. Hospitals," which will be limited to institutions providing medical care to patients and where surgical procedures are performed.

4. Life support equipment such as a kidney machine or respirator, used to sustain the life of a person.

5. "Water Pumping Plants," which will be limited to publicly-owned facilities essential to the supply of potable water to a community.

6. "Sewage Plants," which will be limited to publicly-owned facilities essential to the collection, treatment or disposal of a community's sewage.

7. Radio and television stations utilized for the transmittal of emergency messages and public information broadcasts related to these procedures.

Although these types of Member-Consumers will be given special consideration from the manual load shedding provisions of this procedure, they are encouraged to install emergency generation equipment if continuity of service is essential. It is known that some of the township fire departments in the more rural parts of Michigan have portable generation equipment available. Maximum use should be made of these facilities.

(Continued on Sheet No. C-36.00)

(Continued from Sheet No. C-35.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES (Cont'd)

In the case of Member-Consumers supplied from two utility sources, only once source will be given special consideration. Other Member-Consumers, who, in their opinion, have critical equipment or circumstances, should install emergency battery or portable generating equipment.

The Commission will be promptly advised of the nature, time and duration of all implemented emergency conditions and procedures which affect normal service to Member-Consumers. The Commission may order the implementation of additional procedures or the termination of the procedures previously employed when circumstances so require.

As may be appropriate in accordance with the nature of the occurring or anticipated emergency, the Cooperative will initiate the following procedures.

B. Sudden or Unanticipated Short-Term Capacity Shortage

In the event of a sudden decline of the frequency on the system or a sudden breakup which isolates all or parts of the system or power pool from other electric systems with which it is interconnected and which results in the area so isolated being deficient in electric generation, with consequent rapid decline in frequency:

1. Every effort will be made to maintain at least partial service to the system by means of predetermined load shedding of selected transmission and/or distribution circuits. The Cooperative will make every reasonable effort to provide continuous service to essential health and safety Member-Consumers.

2. With no substantial generation of its own and being to a great extent dependent on outside sources for energy, the Short-Term, Sudden, Unanticipated Capacity Shortage may result in temporary complete loss of service to the Cooperative. However, the Cooperative will make every effort to resume service to essential Member-Consumers as soon as practicable.

C. Anticipated or Predictable Short-Term Capacity Shortages in the Cooperative System

In the event an emergency condition of short-term duration is anticipated or predicted which cannot be relieved by sources of generation within or outside the system serving as the Cooperative source of energy, the following steps will be taken at the appropriate time and in the order appropriate to the situation:

(Continued on Sheet No. C-37.00)

(Continued from Sheet No. C-36.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES (Cont'd)

1. The internal demand of substations, offices and other premises owned by the Cooperative will be *reduced to* the largest extent consistent with the maintenance of service.

2. Service will be interrupted to loads rendered service under interruptible tariffs.

3. Voltage will be reduced not more than six percent.

4. Voluntary load reductions will be requested of large commercial and industrial Member-Consumers by procedures established in their respective load management plans.

5. Voluntary load reductions will be requested of all other Member-Consumers through appropriate media appeals.

6. Load shedding of firm Member-Consumer loads will be initiated. Service so interrupted shall be of selected distribution circuits throughout the Cooperative area. Such interruptions shall be consistent with the criteria established for essential health and safety Member-Consumers and will, insofar as practicable, be alternated among circuits. Records will be maintained to insure that during subsequent capacity shortages, service interruptions may be rotated throughout the Cooperative service area in an equitable manner.

D. Long-Term Capacity or Fuel Shortage

The following actions will be implemented until it is determined by the Cooperative energy suppliers that any or all actions may be terminated. The public will be immediately advised through appropriate media sources of the implementation of these procedures. If an emergency situation of long-term duration arises out of a long-term capacity or fuel shortage in the area which cannot be relieved by sources of generation within or outside the system, the following actions will be taken in the order noted as required.

1. Curtail use during hours of maximum system demand of non-essential energy on premises controlled by the Cooperative including parking and large area lighting and interior lighting, except lighting required for security and safety, and other uses of energy both during and outside normal business hours.

(Continued on Sheet No. C-38.00)

(Continued from Sheet No. C-37.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES (Cont'd)

2. Initiate voluntary energy curtailment during hours of maximum system demand of all Member-Consumers by requesting, through mass communication media, voluntary curtailment by all Member-Consumers of a minimum of ten percent of their electric use. This use will include lighting, air conditioning, heating, manufacturing processes, cooking, refrigeration, clothes washing and drying, and any other loads that can be curtailed or deferred to off-peak hours.

3. Implement procedures for interruption of selected distribution circuits during the period of maximum system demand on a rotational basis in accordance with specified load reduction amounts minimizing interruption to facilities which are essential to the public health and safety. The length of an interruption of any selected circuit should not exceed two hours and the total interruption should not exceed four hours in any 24-hour period without prior notification to the Commission.

   If the above actions are made necessary because of a long-term fuel shortage, they will be continued in the order taken to maintain as nearly as possible a 30-day fuel supply.

E. Emergency Procedures of Wholesale Suppliers

Where appropriate, the emergency procedures will be the same as those placed in effect by the Cooperative's wholesale for resale energy supplier.

SECTION D
RATE SCHEDULES
Power Supply Cooperative Clause

This clause permits the monthly adjustment of rates for power supply to allow recovery of the booked costs of purchased power incurred under reasonable and prudent policies and practices.

For purposes of this clause, the following definitions apply:

"Power supply cost recovery factor" means that element of the rates to be charged for electric service to reflect power supply costs incurred and made pursuant to a power supply cost recovery clause incorporated in the rates or rate schedule.

"Power supply cost recovery plan" means a determination by the Cooperative made annually describing the expected sources of electric power supply and changes over a future 12-month period specified by the Cooperative's Board of Directors and specifying for each of those 12 months a specified power supply cost recovery factor.

"Power supply costs" means those elements of the costs of purchased power as determined by the Cooperative's Board of Directors to be included in the calculation of the power supply cost recovery factor.

The Power Supply Cost Recovery factor shall consist of 0.01088 mills per kilowatthour for each full .0l mills per kWh, of power supply costs, less the allowance for cost of power supply included in base rates, rounded to the nearest .01 mills per kilowatthour. The power supply cost recovery factor to be applied to the Cooperative's retail Member-Consumers' monthly kilowatthour usage represents the power supply costs as established by the Cooperative's Board of Directors pursuant to a power supply and cost review hearing conducted by the Cooperative's Board of Directors. The power supply and cost review will be conducted not less than once a year for the purpose of evaluating the power supply cost recovery plan submitted by Cooperative to the Cooperative's Board of Directors and to authorize appropriate power supply cost recovery factors.

Not less than once a year and not later than 4 months after the end of the 12-month period covered by Cooperative's most recently authorized power supply cost recovery plan, a power supply cost reconciliation will be submitted by the Cooperative to the Cooperative's Board of Directors to reconcile the revenues recorded pursuant to the power supply cost recovery factor and the allowance for cost of power included in the base rates as established by the Cooperative's Board of Directors under Cooperative's most recent power supply cost recovery plan, among other things.

(Continued on Sheet No. D-1.01)

(Continued from Sheet No. D-1.00)

Cooperative shall be required to refund to Member-Consumers, or to credit to Member-Consumers' bills any net amount determined to have been recovered which is in excess of the amounts actually expensed by Cooperative for power supply. Cooperative shall recover from Member-Consumers any net amount by which the amount determined to have been recovered over the period covered was less than the amount determined to have been actually expensed by Cooperative for power supply.

For the twelve (12) months ending December **2026**, the Power Supply Cost Recovery Factor is **$0.01813** per kWh. The allowance for cost of power supply included in base rates is $0.08785 per kWh.

(Continued on Sheet No. 1.02)

This sheet has been canceled and is reserved for future use.

(Continued on Sheet No. D-1.03)

ENERGY OPTIMIZATION PROGRAM CLAUSE

This clause permits, pursuant to Section 89 of 2008 PA 295, the adjustment of distribution rates, via the application of an Energy Optimization Surcharge, to allow recovery of the energy optimization program costs incurred by the Cooperative in compliance with Section 89 of 2008 PA 295.

An energy optimization cost reconciliation shall be conducted annually.

The approved Energy Optimization Surcharges are shown below.

ENERGY OPTIMIZATION SURCHARGES

Sheet No.	Rate Schedule	$/kWh
D-5.00	Schedule A – Residential Service	$0.00229
D-6.00	Schedule S – Seasonal Residential Service	$0.00229
D-8.00	Schedule CH – Controlled Heating Service	$0.00229
D-19.00	Schedule EEH – Efficient Electric Heating	$0.00229
D-15.00	Schedule OD – Outdoor Lighting Service	$0.00312

Sheet No.	Rate Schedule	$/meter/month
D-10.00	Schedule GS – General Services	$3.10
D-11.00	Schedule LG – Large General Service	$74.14
D-12.00	Schedule LPTOD – Optional Large Power Time-of- Day Service	$74.14
D-13.00	Schedule PSDS – Primary Service	$400.99

Requirements for Pole Attachments

The Cooperative may permit a cable television company or other attaching party (as defined in paragraph 1(a) of 1980 PA 470; MCLA 460.6g) to make attachments to its poles, ducts or conduits pursuant to contract between the Cooperative and the attaching party. Effective April 1, 1997, the annual pole attachment rate shall be $3.74 per pole per year.

Attaching parties must obtain any necessary authorizations to occupy public or private rights-of-ways prior to execution of a contract with the Cooperative.

This sheet shall not apply to attachments made or proposed to be made by utilities (as defined in paragraph 1(d) of 1980 PA 470) to the facilities of the Cooperative.

REQUIREMENTS FOR OPERATION OF PARALLEL GENERATION FACILITIES (COGENERATORS AND SMALL POWER PRODUCERS)

In order to provide for the safety of Member-Consumers, utility personnel, and others, and to assure reliable electric service consistent with the requirements of the Public Utility Regulatory Policies Act of 1978 and the Michigan Public Service Commission's Order in Case No. U-6798, the following requirements are established for connection and/or operation of Member-Consumer generation facilities in parallel with the Cooperative's distribution system: [j1]

Availability

These requirements include all Member-Consumer generation facilities under 100 kW. Member-Consumer generation facilities of 100 kW and over will be handled on an individual basis.

If the Member-Consumer does not meet all of the requirements listed below, the Cooperative may require termination of parallel operation and the Member-Consumer shall be liable for any damages or injury resulting from unauthorized or improper connection and/or operation of the Member-Consumer's generation facility. These requirements apply to both existing and proposed installations and are subject to change with approval of the Michigan Public Service Commission from time to time. [j2]

Safety and Reliability Requirements

The Member-Consumer shall submit for the Cooperative's review detailed electric diagrams, equipment nameplate data, including the interface device and control system of the Member-Consumer's power sources and a site plan.

The Member-Consumer's control and protection system and site plan must be acceptable to the Cooperative and in accordance with these safety and reliability standards. This system shall provide for immediate automatic shutdown or separation of the Member-Consumer's generator and the Cooperative system in the event of momentary or extended loss of power from the Cooperative, including loss of one or more phases if the Member-Consumer is generating three-phase power. The shutdown or separation must continue until normal utility service is restored. The shutdown or separation shall occur when frequency, voltage, and/or current deviate from normal utility standards. The Member-Consumer shall be liable if the Member-Consumer's protection system fails to function.

A disconnecting device suitable for use as a protective tag location may be required so as to be accessible and in reasonably close proximity to the billing meter.

The completed installation must meet all local, state and national codes and regulations and is subject to inspection by proper enforcement authorities before commencement of parallel operation. In addition, the Cooperative may, at its discretion, inspect or test the facility at any time.

(Continued on Sheet No. D-3.01)

REQUIREMENTS FOR OPERATION OF PARALLEL GENERATION FACILITIES

(Continued from Sheet No. D-3.00)

The Member-Consumer shall advise the Cooperative prior to making any revisions to the Member-Consumer's generation facility, the control system, or the interface between the two power systems after the installation. Any such revision must be acceptable to the Cooperative.

Should the parallel operation of the Member-Consumer's generation facility cause interference or adversely affect voltage, frequency, harmonic content or power factor in the Cooperative's system or other Member-Consumers' service, the Cooperative may require disconnection of parallel operation until the condition has been corrected.

Reimbursement of Costs

The Member-Consumer shall pay for all costs associated with any addition to or alteration of the Cooperative's equipment required for metering and for the safe and reliable operation of the Member-Consumer's generating equipment in parallel with the Cooperative's system. The Member-Consumer shall also pay for costs of changes required due to safety or adverse effects on other Member-Consumers and/or on the Cooperative caused by the connection and/or operation of the Member-Consumer's generation facility.

The Cooperative may require reasonable and adequate insurance coverage by the interconnecting Member-Consumer and the Member-Consumer shall provide proof of liability coverage as may be required by the Cooperative.

Sales to Cooperative.

Customers wishing to sell power must arrange to do so with the generation and transmission Cooperative which provides all of the Cooperative's power requirements. Rates for such sales will be subject to the G & T's tariff provisions. Member-Consumers selling power to the G & T will be charged 1 mill per kWh sold to cover the Cooperative’s administrative costs.

DEFINITION OF TIME PERIODS USED IN TIME-OF-DAY RATES

Provisions pertinent to the application of time periods used in various time-of-day rates are as follows:

(1)	Peak Period	5:00 p.m. to 10:00 p.m., weekdays excluding holidays
(2)	Intermediate Period:	7:00 a.m. to 5:00 p.m. and 5:00 p.m. to 10:00 p.m., weekends and holidays
(3)	Off-Peak Period:	All other hours.

(4) Designated holidays:

(a) New Year's Day

(b) Good Friday

(c) Memorial Day

(d) Independence Day

(e) Labor Day

(f) Thanksgiving Day

(g) Christmas Day

The Cooperative may revise the above schedule of time period hours from time to time and, in such event, will submit to the Cooperative's Board of Directors and to Member-Consumers taking service under the relevant rate schedules a new schedule which will become effective thirty days after its issuance date and which will remain in effect until the effective days of any succeeding schedule.

RESIDENTIAL SERVICE SCHEDULE A

Availability

Available to any Member-Consumer desiring service for domestic and farm uses, which includes only those purposes which are usual in an individual permanent residence, or separately metered apartments, and in the usual other buildings normally served through the residential meter.

This rate is also available to any Member-Consumer of the Cooperative for residential service to dwellings that are occupied seasonally, where consumption for the prior billing year exceeded 7,200 kWh. Seasonal Member-Consumers taking service under Schedule A whose consumption does not attain 7,200 kWh during two consecutive subsequent billing years shall be returned to the Seasonal Residential Service, Schedule S.

Nature of the Service

Single-phase, 60 cycles, at available secondary voltages.

Billing Rate

Distribution Service:

Monthly Base Fee:	$28.00 per Member-Consumer per month, plus
Distribution Variable Charge:	$0.07978 per kWh for all kWh, plus

This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

This service is subject to the Ice Storm Recovery Charge shown on Sheet No. D-24.00.

Power Supply Service

Energy Charge: $0.08601 per kWh for all kWh

(Continued on Sheet No. D-5.01)

RESIDENTIAL SERVICE SCHEDULE A
(Continued from Sheet No. D-5.00)

Tax Adjustments

A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.

B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Nonstandard (AMR) Metering Provision

Member-Consumers taking service under Residential Service Schedule A may request a Nonstandard (AMR) metering option **before April 1, 2025.** To participate in the Nonstandard (AMR) metering option, the Member-Consumer must satisfy the following criteria:

A. The meter must be located outside and be accessible to Cooperative employees at all times,

B. The member-consumer shall have zero instances of unauthorized use, theft, fraud and/or threats of violence toward Cooperative employees,

C. The Member-Consumer shall enter into a written agreement with the Cooperative, **before April 1, 2025,** requesting the Nonstandard (AMR) metering option **for each qualifying meter,** subject to the following terms:

1) Upfront charge - If the Cooperative has not yet installed an AMI meter at the Member-Consumer's premises, a one-time charge of $10.00 per billing meter, per request will be assessed. If the Cooperative has installed an AMI meter at the premises, a one-time charge of $50.00 per billing meter will be assessed to exchange the AMI meter for a Nonstandard (AMR) meter.

2) Monthly Charge - A recurring charge of $5.00 per month per billing meter will be assessed for each Nonstandard (AMR) meter. Multiple metering units will be charged per billing meter.

(Continued on Sheet No. D-5.02)

RESIDENTIAL SERVICE SCHEDULE A
(Continued from Sheet No. D-5.01)

3) Satisfactory payment history - The Member-Consumer shall maintain a satisfactory payment history on all accounts (i.e. the member's accounts were not delinquent more than 1 time in the past 12 months), as defined in Section B2 Consumer Standards and Billing Practices for Electric Residential Service, R 460.102 – Definitions.

D. The Nonstandard (AMR) metering option is not available to Seasonal Member-Consumers taking service under Seasonal Residential Schedule S or to those taking service under Residential Monthly Service Schedule A,

E. The Nonstandard (AMR) metering option will only be available for Member-Consumers who **have active service and an AMR contract for each applicable meter signed before April 1, 2025, and**

F. **Member-Consumers enrolled in the Nonstandard (AMR) metering option shall be eligible to continue participation for a term of 20 years, or when the Nonstandard (AMR) meter fails, whichever is first. A participating Member-Consumer may terminate participation in the Nonstandard (AMR) metering option at any time and for any reason. The Nonstandard (AMR) metering option and resulting contract are neither assignable, nor transferable, to a subsequent owner. The Nonstandard (AMR) metering option and resulting contract are also not transferable with the same member between different service locations.**

Nonstandard (Non AMR) Metering Provision

Member-Consumers taking service under Residential Service Schedule A may petition the Board of Directors requesting a limited waiver of the Nonstandard (AMR) metering option to retain their existing Nonstandard (Non AMR) meter. Petitions must be made in writing, and the following criteria must be satisfied:

A. The meter must be located outside and be accessible to Cooperative employees at all times,

B. The member-consumer shall have zero instances of unauthorized use, theft, fraud and/or threats of violence toward Cooperative employees,

C. The Member-Consumer shall enter into a written agreement with the Cooperative, **before April 1, 2025,** requesting the Nonstandard (Non AMR) metering option **for each qualifying meter,** including but not limited to the following items:

1) Upfront charge - If the Cooperative has not yet installed a standard AMI or Nonstandard AMR meter at the Member-Consumer's premises, a one-time charge of $10.00 per billing meter, per request will be assessed. If the Cooperative has installed a standard AMI or Nonstandard AMR meter at the premises, a one-time charge of $50.00 per billing meter will be assessed to exchange the standard AMI or Nonstandard AMR meter for a Nonstandard (Non AMR) meter.

(Continued on Sheet No. D-5.03)

2) Monthly Charge - A recurring charge of $15.55 per month per billing meter will be assessed for each Nonstandard (Non AMR) meter. Multiple metering units will be charged per billing meter.

(Continued on Sheet No. D-5.03)

RESIDENTIAL SERVICE SCHEDULE A
(Continued from Sheet No. D-5.02)

3) Satisfactory payment history - The Member-Consumer shall maintain a satisfactory payment history on all accounts (i.e. the member's accounts were not delinquent more than 1 time in the past 12 months), as defined in Section B2 Consumer Standards and Billing Practices for Electric Residential Service, R 460.102 – Definitions.

D. The Nonstandard (Non AMR) metering option is not available to Seasonal Member-Consumers taking service under Seasonal Residential Schedule S or to those taking service under Residential Monthly Service Schedule A,

E. The Nonstandard (Non AMR) metering option will only be available for Member-Consumers who have **active service and a Non AMR contract for each applicable meter signed before April 1, 2025, and**

F. **Member-Consumers enrolled in the Nonstandard (Non AMR) metering option shall be eligible to continue participation for a term of 20 years, or when the Nonstandard (Non AMR) meter fails, whichever is first. A participating Member-Consumer may terminate participation in the Nonstandard (Non AMR) metering option at any time and for any reason. The Nonstandard (Non AMR) metering option and resulting contract are neither assignable, nor transferable, to a subsequent owner. The Nonstandard (Non AMR) metering option and resulting contract are also not transferable with the same member between different service locations.**

Bill Frequency

All Member-Consumers taking service under Schedule A will be billed once per month.

(Continued on Sheet No. D-5.04)

RESIDENTIAL SERVICE SCHEDULE A (Cont'd)
(Continued from Sheet No. D-5.03)

Terms of Payment

This rate schedule is subject to the Cooperative's Allowable Charges as set forth in R 460.122.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

Definitions

Standard Meter: An Advanced Metering Infrastructure (AMI) meter that uses radio frequency to wirelessly communicate. This type of meter has a 2-way communication pathway; the meter communicates to PIE&G and PIE&G can communicate with the meter.

Nonstandard Meter (AMR): An Automated Meter Reading (AMR) meter that uses a radio receiver to communicate. This type of meter has the potential to have a 1-way communication pathway from the meter to PIE&G.

Nonstandard Meter (Non AMR): A meter that does not have technology to wirelessly communicate with PIE&G. This type of meter must be manually read.

SEASONAL RESIDENTIAL SERVICE
SCHEDULE S

Availability

Available to any Member-Consumer who desires service for domestic use on premises that serves as a secondary dwelling for those services that are usual in a dwelling of this nature. This rate is not available for resale purposes, or for any non-residential use.

Any Member-Consumer who receives service under this rate, consuming more than 7,200 kWh during the prior billing year may choose to take service under the Cooperative's Residential Service, Schedule A. Seasonal Member-Consumers taking service under Schedule A whose consumption does not attain 7,200 kWh's during two consecutive billing years shall be returned to the Seasonal Residential Service, Schedule S. A written agreement between the seasonal Member-Consumer and the Cooperative is required for those meeting these requirements and electing service under Schedule A.

Any Member-Consumer who receives service under this rate and installed equipment satisfying the "Type of Service" requirements on Schedule EEH (Sheet No. 18.00) is eligible for concurrent service under Schedule EEH, regardless of annual consumption. Any Member-Consumer who takes service under schedule S concurrently with Schedule EEH, shall be billed once per month and is responsible for monthly meter readings as noted on Schedule EEH, Sheet No. 18.00. An EEH service agreement between the Member-Consumer and the Cooperative is required for service under these concurrent schedules.

Nature of the Service

Single-phase, 60 cycles, at available secondary voltages.

Billing Rate

Distribution Service:

Monthly Base Fee:	$37.80
Distribution Variable Charge:	$0.14695 per kWh for all kWh, plus

Energy Optimization Surcharge:
This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

This service is subject to the Ice Storm Recovery Charge shown on Sheet No. D-24.00.

Power Supply Service

Energy Charge:	$0.08601 per kWh for all kWh

(Continued on Sheet No. D-6.01)

SEASONAL RESIDENTIAL SERVICE
SCHEDULE S (Cont'd)
(Continued on Sheet No. D-6.00)

Tax Adjustments

1. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.

2. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Bill Frequency

With the exception of those consuming more than 7,200 kWh in the prior billing year and electing that option, or Member-Consumers taking service concurrently under Schedules S and EEH, all Member-Consumers taking service under Schedule S may, at the Cooperative's discretion and upon a 45 day notice, be billed once per month for the monthly availability and energy charges if the Cooperative is able to obtain a meter reading through its Advanced Metering Infrastructure (AMI) system.

Terms of Payment

This rate schedule is subject to the Cooperative's Allowable Charges as set forth in R 460.122.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

CONTROLLED WATER HEATING SERVICE
SCHEDULE CWH
Discontinued July 31, 2015

Sheets D-7.00 and D-7.01 are discontinued.

CONTROLLED HEATING SERVICE
SCHEDULE CH

Availability:

Available to Member-Consumers of the Cooperative already taking monthly service concurrently under Rate Schedules A or GS **who were enrolled under Rate Schedule CH prior to July 31, 2015 provided the heating system in place at the time of enrollment was electric and the First Revised system remains in place.** This rate is for controlled service to space heating loads, storage domestic water heating loads and associated air conditioning loads which are controlled by the Cooperative. Service is subject to the established rules and regulations of the Cooperative. A Member-Consumer Service Agreement is required for service under this schedule. The Cooperative may charge the Member-Consumer an amount not to exceed the actual cost of the equipment necessary to provide the service.

This rate is not transferrable and will expire upon the occurrence of any one of the following events affecting the Member-Consumer currently taking monthly service: disconnection for failure to pay a delinquent account, **death, sale or transfer of ownership to anyone other than the surviving spouse.**

Type of Service:

Alternating current, 60 hertz, at approximately 120/240 volts, single phase, three-wire, separately metered subject to service availability as follows:

Option No. 1 - Storage Heating

This option is available for electric space heating loads with sufficient heat storage capacity to withstand extended daily control of the electric supply. This option is also available to domestic storage water heaters. Domestic storage water heaters must have a minimum storage capacity of 100 gallons and a minimum heating capacity of 4,500 watts. Service under this option is available only between the hours of 10:00 pm to 7:00 am.

Option No. 2 - Dual Fuel Heating

This option is available for electric space heating loads when used in conjunction with an alternate fuel heating system. The alternate fuel heating system must be capable of supplying the heating requirements of the Member-Consumer when the electrical supply is controlled. Service under this option is available for all hours except when controlled by the Cooperative. The number of hours when service is controlled shall not exceed 400 hours per heating season or 8 hours per 24-hour period.

(Continued on Sheet No. D-8.01)

CONTROLLED HEATING SERVICE
SCHEDULE CH
(Continued from Sheet No. D-8.00)

Option No. 3 - Air Conditioning

This option is available for air conditioning loads when used in conjunction with one of the two options of controlled space heating load listed above. Service under this option is available for all hours except when controlled by the Cooperative. The number of hours when service is controlled shall not exceed 200 hours per cooling season.

Monthly Rate

Distribution Charges: As set forth in Schedule A or GS, whichever is applicable.

Energy Optimization Surcharge: This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Energy Charge:

As set forth in Schedule A or GS, whichever is applicable, including the power supply cost recovery provision, discounted at 3 cents per kWh.

Terms of Payment

This rate schedule is subject to the terms of payment as set forth on the concurrent rate schedule that qualifies the Member-Consumer for service.

Michigan State Sales Tax

Michigan State Sales Tax shall be added on all bills, including minimums, where applicable.

Tax Adjustments

A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.

B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

(Continued on Sheet No. D-8.02)

CONTROLLED HEATING SERVICE
SCHEDULE CH
(Continued from Sheet No. D-8.01)

Power Supply Cost Recovery

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Bill Frequency

All Member-Consumers taking service under Schedule CH will be billed once per month and subject to the terms of Meter Reading found below.

Meter Reading

Meter readings are to be supplied by the Member-Consumer on a once per month basis prior to the due date. If the Member-Consumer fails to provide a reading for three consecutive months, the Cooperative will obtain a reading and bill each metered account the Meter Reading Charge as shown on Sheet No. C-9.00.

PARTIAL CONTROLLED HEATING SERVICES
SCHEDULE PCH
Discontinued July 31, 2015

Sheets D-9.00 and D-9.01 are discontinued.

GENERAL SERVICES
SCHEDULE GS

Availability

Available to any Member-Consumer when maximum demand is less than 50 kW. The maximum demand shall be based on the Member-Consumer's average kW load during the 15 minute period of maximum use during the billing month. This rate shall be applicable for no less than twelve (12) consecutive months.

Nature of Service

Single-phase or three-phase, 60 hertz, alternating current, at available secondary voltages. The nature and level of the voltage shall be determined in each case by Presque Isle Electric & Gas Co-op.

Billing Rate

Distribution Service:

Base Fee:

Single Phase:	$28.00 Or
Three Phase:	$32.00 Per Member-Consumer per month, plus
Distribution Variable Charge:	$0.05855 per kWh for all kWh, plus

Energy Optimization Surcharge:
This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

This service is subject to the Ice Storm Recovery Charge shown on Sheet No. D-24.00.

Power Supply Service:

Energy Charge:	$0.08321 per kWh for all kWh

Credit For Controlled Oil-Related Loads:

Energy Credits for Controlled Oil-Related Loads have been terminated as of July 31, 2015.

(Continued on Sheet No. D-10.01)

GENERAL SERVICES
SCHEDULE GS (Cont'd)
(Continued from Sheet No. D-10.00)

Tax Adjustments

A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.

B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Bill Frequency

All Member-Consumers taking service under Schedule GS will be billed once per month and subject to the terms of Meter Reading found below.

Meter Reading

Meter readings are to be supplied by the Member-Consumer on a once per month basis prior to the due date. If the Member-Consumer fails to provide a reading for three consecutive months, the Cooperative will obtain a reading and bill each metered account the Meter Reading Charge as shown on Sheet No. C-9.00.

Minimum Charge

For Member-Consumers receiving three-phase service, the annual minimum charge shall be equal to $300 plus $12/KVA of required transformer capacity in excess of 30 KVA, plus the Energy Optimization Surcharge amount shown on Sheet No. D-1.03. For Member-Consumers receiving single-phase service with 30 KVA or more of transformer capacity, the annual minimum charge shall be equal to $300 plus

(Continued on Sheet No. D-10.02)

GENERAL SERVICES
SCHEDULE GS (Cont'd)
(Continued from Sheet No. D-10.01)

$12/KVA of required transformer capacity in excess of 30 KVA, plus the Energy Optimization Surcharge amount shown on Sheet No. D-1.03. If the member's past year's bills total less than the minimum, the difference will be billed to the Member-Consumer in January, with proration of the minimum for new Member-Consumers, including the proration of the Energy Optimization Surcharge amount shown on Sheet No. D-1.03.

Terms of Payment

A one-time late payment charge of 5% of the unpaid balance, excluding sales tax, will be assessed on any bill not paid by the due date.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

LARGE GENERAL SERVICE
SCHEDULE LG

Availability

Available to any Member-Consumer requiring multi-phase service with a minimum demand of 25 kW. This rate shall be applicable for no less than 12 consecutive months.

Subject to the Cooperative's Retail Access Service Tariff, this schedule is available to Member-Consumers for delivery of power from the Point of Distribution Receipt to the Point of Distribution Delivery subject to the following conditions

1. The Member-Consumer must have a Maximum Demand of at least 50 kW. Individual Member-Consumers receiving demand metered service at multiple metering points who are eligible to be taking service under the Cooperative's Schedule LG and Schedule PSDS may achieve the 50 kW Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. The applicable rate schedule will apply to all aggregated metering points on an individual account basis.

2. The Member-Consumer must enter a Retail Access Service Agreement with the Cooperative.

3. The transmission of power to the Distribution Point of Receipt and all related costs shall be the responsibility of the Member-Consumer and/or Alternative Electric Supplier (AES).

4. The Member-Consumer must agree to purchase any default energy delivered pursuant to Schedule RASS-Retail Access Standby Service in addition to the service specified herein.

Nature of Service

Three-phase, 60 hertz, alternating current at available secondary voltages. The nature and level of the service voltage shall be determined in each case by Cooperative.

(Continued on Sheet No. D-11.01)

LARGE GENERAL SERVICE
SCHEDULE LG (Cont'd)
(Continued from Sheet No. D-11.00)

Billing Rate

Distribution Service:

Base Fee:	$74.00 per Member-Consumer per month, plus
Distribution Demand Charge:	$1.98 per kW for all kW, plus
Distribution Variable Charge:	$0.04084 per kWh for all kWh, plus

Energy Optimization Surcharge:
This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

This service is subject to the Ice Storm Recovery Charge shown on Sheet No. D-24.00.

Power Supply Service (not applicable to Retail Access Service)

Demand Charge:	$7.02 per kW for all kW, plus
Energy Charge:	$0.06481 per kWh for all kWh

(Continued on Sheet No. D-11.02)

LARGE GENERAL SERVICE
SCHEDULE LG (Cont'd)
(Continued from Sheet No. D-11.01)

Tax Adjustments

1. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or in the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.

2. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01, except for retail access Member-Consumers.

Bill Frequency

All Member-Consumers taking service under Schedule LG will be billed once per month.

Billing Demand

The billing demand shall be the average kilowatt (kW) load during the 15-minute period of maximum use during the billing month, but not less than 25 kW.

The Cooperative reserves the right to make special determination of the billing demand and/or minimum charge should equipment which creates high demand of momentary duration be included in the Member-Consumer's installation.

Adjustment for Power Factor

When the power factor during the period of maximum use in a billing month is less than 90% lagging, the Cooperative reserves the right to increase the demand charge for such billing month in the ratio that 90% bears to such power factor. The Cooperative may, at its option, determine the power factor by test or by permanently installed measuring equipment.

(Continued on Sheet No. D-11.03)

LARGE GENERAL SERVICE
SCHEDULE LG (Cont'd)
(Continued from Sheet No. D-11.02)

Terms of Payment

A one-time late payment charge of 5% of the unpaid balance, excluding sales tax, will be assessed on any bill not paid by the due date.

Contracts

A contract shall be required for each Member-Consumer with 1,000 kW demand or more. The Cooperative reserves the right to require service contracts covering terms and nature of service in cases where special services are required, or where investment by the Cooperative is in excess of that provided for without contribution toward construction by the Member-Consumer in the Cooperative's Standard Rules and Regulations.

Primary Service and Metering

Meters will be read for monthly billing purposes by the Cooperative. A discount of $0.20 per kVA of contract capacity will be applied to the bill when service is taken by the consumer at the available primary voltage. If the primary metering is used, an additional discount of 2.0% shall be applied to the bill. The 2.0% discount shall be applied after the $0.20/kVa discount.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

OPTIONAL LARGE POWER TIME-OF-DAY SERVICE
SCHEDULE LPTOD

Availability

This rate is available to all Member-Consumers for all uses at secondary voltage, when billing demand is 50 kW or more, subject to the rules and regulations of the Cooperative. The Member-Consumer must contract to receive service under the rate for a minimum of twelve months.

Nature of Service

Alternating current, 60 hertz, three phase at available secondary voltages. The nature and level of the service voltage shall be determined in each case by the Cooperative.

Billing Rate

Base Fee:	$148.00 per Member-Consumer per month, plus
Peak Period Demand Charge:	$6.00 per kW, plus
Maximum Demand Charge:	$6.55 per kW, plus
Energy Charge:	$0.11737 per kWh for all kWh

Energy Optimization Surcharge:
This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

This service is subject to the Ice Storm Recovery Charge shown on Sheet No. D-24.00.

Power Supply Cost Recovery

The rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Tax Adjustments

1. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.

2. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

(Continued on Sheet No. D-12.01)

OPTIONAL LARGE POWER TIME-OF-DAY SERVICE
SCHEDULE LPTOD (Cont'd)
(Continued from Sheet No. D-12.00)

Determination of Billing Demand

1. Peak Period - The Peak Period Billing Demand shall be the maximum kilowatt demand established by the Member-Consumer for any period of fifteen (15) consecutive minutes recorded during the peak period for the month for which the bill is rendered, as indicated or recorded by a demand meter. The peak period is defined on Sheet No. D-4.00.

2. Maximum Demand - The Maximum Billing Demand shall be the maximum kilowatt demand established by the Member-Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter, but not less than 50 kW.

Terms of Service

Terms and conditions of service under this schedule shall be governed by the Cooperative's Standard Rules and Regulations which are on file with the Michigan Public Service Commission and which are incorporated herein by reference.

Adjustment for Power Factor

When the power factor during the period of maximum use in a billing month is less than 90% lagging, the Cooperative reserves the right to increase the demand charge for such billing month in the ratio that 90% bears to such power factor. The Cooperative may, at its option, determine the power factor by test or by permanently installed measuring equipment.

Terms of Payment

A one-time late payment charge of 5% of the unpaid balance, excluding sales tax, will be assessed on any bill not paid by the due date.

Minimum Charge

The service charge and the demand charge included in the rate, plus the Energy Optimization Surcharge amount shown on Sheet No. D-1.03, except that the minimum charge may be increased as necessary, in accordance with the Cooperative's rules and regulations in those cases in which a greater than average investment is required in order to service an account under this schedule.

(Continued on Sheet No. D-12.02)

OPTIONAL LARGE POWER TIME OF DAY SERVICE
SCHEDULE LPTOD (Cont'd)
(Continued from Sheet No. D-12.01)

Contracts

A contract shall be required for each Member-Consumer with 1,000 kW demand or more. The Cooperative reserves the right to require service contracts covering terms and nature of service in cases where special services are required, or where investment by the Cooperative is in excess of that provided for without contribution toward construction by the Member-Consumer in the Cooperative's Standard Rules and Regulations.

Primary Service and Metering

A discount of $0.20 per kVA of contract capacity will be applied to the bill when service is taken by the Member-Consumer at the available primary voltage. If primary metering is used, an additional discount of 2.0% shall be applied to the bill. The 2.0% discount shall be applied after the $0.20 per kVA discount.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

PRIMARY SERVICE
SCHEDULE PSDS

Availability

This rate is available only to Member-Consumers with Firm Primary Service Loads of 500 kW or greater **and where the Maximum Demand does not exceed 15,000 kW in a calendar year. If the demand exceeds 15,000 kW for any rolling 12-month period, a negotiated contract rate will be immediately required and effective for the immediate month when the demand threshold was exceeded.**

This rate is subject to the availability Wolverine Power Supply Cooperatives (Wolverine) Rider C & I. The Member-Consumer will be required to provide for data communications to the established metering point.

Subject to the Cooperative's Retail Access Service Tariff, this schedule is available to Member-Consumers for delivery of power from the Point of Distribution Receipt to the Point of Distribution Delivery subject to the following conditions:

1. The Member-Consumer must have a Maximum Demand of at least 500 kW. Individual Member-Consumers receiving demand metered service at multiple metering points who are eligible to be taking service under the Cooperative's Schedule LG and Schedule PSDS may achieve the 500 kW Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. The applicable rate schedule will apply to all aggregated metering points on an individual account basis.

2. The Member-Consumer must enter a Retail Access Service Agreement with the Cooperative.

3. The transmission of power to the Distribution Point of Receipt and all related costs shall be the responsibility of the Member-Consumer and/or Alternative Electric Supplier (AES).

4. The Member-Consumer must agree to purchase any default energy delivered pursuant to Schedule RASS-Retail Access Standby Service in addition to the service specified herein.

Service Options

Service may be taken 1) directly from a distribution substation, 2) from an existing three-phase primary line, or 3) from a new three-phase primary line. "Directly from a distribution substation" is defined as service in which the delivery point to the Member-Consumer is within 1,000 feet of a distribution substation. "Service from an existing three-phase primary line" is defined as service in which the delivery point to the Member-Consumer is within 1,000 feet of an existing three phase primary line.

(Continued on Sheet No. D-13.01)

PRIMARY SERVICE SCHEDULE PSDS
(Continued from Sheet No. D-13.00)

All rates assume service directly from a distribution substation. For Member-Consumers served from an existing three-phase primary line, add $2.20 per kW; or for Member-Consumers served from a new three phase primary line, add $3.20 per kW.

Billing Rate

Distribution Service :

Distribution Demand Charge:	$3.90	per kW for all kW, plus
Distribution Variable Charge:	**$0.02366**	per kWh for all kWh, plus

Energy Optimization Surcharge:
This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

This service is subject to the Ice Storm Recovery Charge shown on Sheet No. D-24.00.

Power Supply Service (not applicable to Retail Access Service)

Demand Charge:	$7.16	per kW for all kW, plus
Energy Charge:	$0.06091	per kWh for all kWh
Reactive Charge:	$0.25	per kVAR

Billing Demand

Distribution Delivery Component

The billing demand shall be the average kilowatts (kW) load during the 15-minute period of maximum use during the billing month. Cooperative reserves the right to make special determination of the billing demand and/or minimum charge should circumstances require. The minimum monthly billing demand shall be the greater of the metered demand, the contract minimum demand, or 500 kW.

(Continued on Sheet No. D-13.02)

PRIMARY SERVICE
SCHEDULE PSDS (Cont'd)
(Continued from Sheet No. D-13.01)

Power Supply Component – For Non-Retail Access Member-Consumers

The Monthly Power Supply Billing Demand shall be the Member-Consumer's demand in kilowatts (kW) supplied during the 60-minute period when Wolverine Power Supply Cooperative, Inc. experiences its monthly system coincidental peak demand.

Power Supply Cost Recovery

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01, except for Retail Access Member-Consumers.

Tax Adjustment

1. Bills should be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.

2. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

CUSTOMER OWNED BACKUP GENERATION
SCHEDULE CBG

Availability

This rate is available only to Member-Consumers served under Schedules LG, LPTOD, or PSDS who own and operate the generating unit(s) having a total on site capacity of 100 kW or greater which can be called upon from time to time by Wolverine Power Supply Cooperative, Presque Isle's power supplier, to provide backup. This rate schedule is not intended for seasonal loads, nor is it intended for Member-Consumers served under the interruptible PSDS Rate.

Monthly Rate

The Member-Consumer shall be billed under either Schedule LG, LPTOD, or PSDS as appropriate, adjusted for the following credit:

Demand Charge Credit @ $2.50/kW

The Demand Charge Credit will be applied to the lesser of:

1. The average Monthly Billing Demand of the retail Member-Consumer for the most recent December, January, and February billings. In instances where the retail Member-Consumer is billed under a Large Power Time-of-Day rate, or its equivalent, the term "Billing Demand" shall refer to the Peak Period Demand.

2. The actual amount of load interrupted as determined by a test in accordance with the Conditions For Service From this Schedule, paragraph 4.

Conditions for Service From This Schedule

This service schedule shall be available for service to members of Presque Isle who own and operate generating units which can be used by Wolverine as backup and which meet the following criteria:

1. The output from the retail Member-Consumer-owned generating unit(s) shall be separately metered with a recording watthour demand meter using either magnetic tape or electronic memory for recording data.

2. The total rated capacity of the retail Member-Consumer-owned generating unit(s) on each site must be 100 kW or greater.

3. The retail Member-Consumer-owned generating units must be capable of:

(Continued on Sheet No. D-14.01)

CUSTOMER OWNED BACKUP GENERATION
SCHEDULE CBG (Cont'd)
(Continued from Sheet No. D-14.00)

7. Being brought on line by control or command from Wolverine's system Control Center;

8. Being brought on line in 30 minutes or less; and

9. Being run to give extended load relief over a period of at least twelve hours.

4. Wolverine may request operation of the retail Member-Consumer-owned generating unit(s) served under this rate at its own discretion.

10. Wolverine may call upon the Member-Consumer-owned generating units up to four times each year to test the capability and reliability of the unit(s) in order to demonstrate that the capacity will be available when called upon.

11. Request for operation of the backup generating unit(s) during emergency interruptions shall not be limited to a specific number of occurrences. Total requests for operation excluding emergency will not exceed 200 hours in a calendar year.

5. Wolverine reserves the right to remove a Member-Consumer from this program if, in the Cooperative's sole judgment, Wolverine cannot rely on the Member-Consumer-owned generating capacity being available when called upon.

Safety And Reliability Requirements

The Member-Consumer-owned generating unit(s) shall not be operated in parallel with the Cooperative's distribution system. When the Member-Consumer is called upon by Wolverine to operate the generating unit(s), the Member-Consumer shall separate its load from the Cooperative's system.

(Continued on Sheet No. D-14.02)

CUSTOMER OWNED BACKUP GENERATION
SCHEDULE CBG (Cont'd)
(Continued from Sheet No. D-14.01)

Contracts

A contract shall be required for each Member-Consumer under this rate. The Cooperative reserves the right to require service contracts covering terms and nature of service in cases where special services are required, or where investment by the Cooperative is in excess of that provided for without contribution toward construction by the Member-Consumer in the Cooperative's Standard Rules and Regulations.

Rules And Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

OUTDOOR LIGHTING SERVICE
SCHEDULE OL

Availability

Available to existing members of the Cooperative for continuous, year-round service in all territory served by the Cooperative where 120 volt service exists and in accordance with the Cooperative's Rules and Regulations. Where 120 volt service does not exist, additional fees will apply.

As of October 2016, only LED (light emitting diode) lighting technology options will be available for new installations; existing installations of non-LED technologies (mercury vapor, high pressure sodium, etc.) will be replaced with equivalent LED lighting technology at the discretion of the Co-operative at no charge to the Member and at the appropriate tariffed rate.

Nature of Service

Dusk to dawn service controlled by photo-sensitive devices which provide service every night and all night.

(Continued on Sheet No. D-15.01)

OUTDOOR LIGHTING SERVICE
SCHEDULE OL (Cont'd)
(Continued from Sheet No. D-15.00)

Rates

Nominal Rating	**Monthly**
40W LED T5 (alternative to 175W MV; 100 W HPS)	**$12.97**
70W LED T3/T5 (alternative to 400W MV; 250W HPS)	**$16.50**

Energy Optimization Surcharge:

This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03**.**

Tax Adjustments

A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the product ion and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.

B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

Type of Service

The Cooperative will supply the energy and will own, operate and maintain the lighting fixtures. Burned out lamps must be reported by the Member-Consumer, and the Cooperative will undertake to replace the lamps as soon as practical during regular working hours. Broken lamps or damage to fixtures by accident or vandalism will be repaired at the Member-Consumer's expense. The Cooperative shall replace or repair, at its cost, streetlight equipment that is out of service with the exception of those caused by accidents or vandalism.

The Cooperative reserves the right to make special contractual arrangements as to term or duration of contract, termination charges or annual charges, or other special consideration when the Member-Consumer requests service, equipment or facilities not normally provided for under this rate.

(Continued on Sheet No. D-15.02)

OUTDOOR LIGHTING SERVICE
SCHEDULE OL (Cont'd)
(Continued from Sheet No. D-15.01)

Member-Consumers requesting underground service facilities for security or street lights that are not to be installed on an existing pole or from an existing underground service will be charged a contribution in aid of construction based on the rules and regulations governing service laterals as set forth on Sheet No. C-25.00.

Member-Consumers requesting overhead service facilities for security or street lights shall be charged the cost of labor, overhead and materials for additional poles and service facilities necessary.

All accounts will be billed on a monthly basis except billings of security lights for seasonal accounts which shall coincide with the billing of the seasonal account.

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01. For purposes of this adjustment, the following monthly energy usage is assumed:

	kWh
40W LED (alternative to 175W MV; 100 W HPS)	**15**
70W LED (alternative to 400W MV; 250W HPS)	**26**

Terms of Payment

A one-time late payment charge of 5% of the unpaid balance, excluding sales tax, will be assessed on any bill not paid by the due date.

GREEN/RENEWABLE ENERGY – RIDER

Availability

This Rider is available on a first-come, first-serve basis to metered Presque Isle Electric & Gas Co-op full service and retail access service Member-Consumers to promote the development and operation of renewable power facilities in the state of Michigan. The availability of service under this Rider may be limited by the availability of Renewable Energy Certificates (RECs) from renewable power facilities in the state of Michigan, at the prices set forth in this Rider. A REC is a unique, independently certified and verifiable record of the production of 1 megawatt hour of renewable energy.

In the event sufficient RECs to provide service to all Member-Consumers desiring service under this Rider from Michigan renewable resource facilities at the prices set forth in this Rider are not available, this Rider may be closed to Member-Consumers.

Character of Service

The character of service is as specified under the applicable Rate Schedule under which the Member-Consumer takes service and with which this Rider is associated.

Rate

The following charge may apply and will be in addition to the normal charges applied under the applicable Rider(s) and Rate Schedule(s) in effect at the Member-Consumer's metered location:

$2.50 per 100 kWh block per month.

Member-Consumers may elect fixed increments (per block) up to the total actual annual Entitlement Share available to Presque Isle Electric & Gas Co-op under the rate to which this Rider is attached. In the event that the energy represented in the blocks purchased exceeds the member's actual kWh delivered for the billing period, no reconciliation shall be made on the Member-Consumer's billing. The above referenced $2.50 per 100 kWh block is a not to exceed amount. Presque Isle Electric & Gas Co-op is implementing an adder of **$0.25** per 100 kWh block. However, such adder is subject to revision up to the $2.50 per 100 kWh block price cap.

Term

The minimum term available to Member-Consumers is one complete billing period extending thereafter from billing period to billing period. Member-Consumers shall provide at least three business days notice of their desire to begin or terminate service.

NET METERING PROGRAM
GENERATORS WITH A CAPACITY OF 20 KW AND LESS
SIGNED AGREEMENT ON FILE PRIOR TO JUNE 1, 2017

Availability

In order to facilitate the generation and transmission Cooperative's ("G&T") standing offer for 10 MW of solar and wind energy and grandfather-in existing net metering Member-Consumers, this offer is available to Member-Consumers with a Net Metering Agreement on file with the Cooperative before June 1, 2017 who operate renewable electric generation, limited to solar and wind, facilities with a nameplate capacity of 20 kW or less and are interconnected with the Cooperative's system, to generate a portion or all of the Member-Consumer's own electricity. If a Member-Consumer has more than one electric generator, the generator's rating(s) shall be summed and the sum may not exceed 20 kW.

The Cooperative's Net Metering Program is available until May 31, 2017, on a limited basis until the G&T's standing offer expires by full 10 MW subscription.

Member-Consumers enrolled prior to June 1, 2017 shall be eligible to continue participation for a term of 20 years, measured from the earlier from the effective date of the Net Metering Agreement or the first month the Member-Consumer began net metering. A participating Member-Consumer may terminate participation in the Cooperative's Net Metering Program at any time and for any reason. This program and its resulting contract are neither assignable, nor transferable, to a subsequent owner.

Member-Consumer Eligibility

To be eligible to participate in the Net Metering Program, Member-Consumers must (1) generate a portion or all of their own retail electricity requirements using a solar or wind renewable electric generator, and (2) be Full Requirements Service Member-Consumers taking service under the Cooperative's applicable service tariff.

Member-Consumers wishing to participate in the Net Metering Program shall submit a completed Net Metering Application to the Cooperative for review. Upon approval of the Application, the Cooperative shall issue a Net Metering and Interconnection Agreement to be signed by the Member-Consumer, the Cooperative, and the G&T. A copy of the signed agreement will be kept on file at the Cooperative. A signed Net Metering and Interconnection Agreement is required prior to November 1, 2016 for the Member-Consumer's generator to remain connected to the Cooperative's facilities.

Member-Consumers must complete construction and meet commercial operation of the Member-Consumer Facility within 180 days of signing the Agreement.

(Continued on Sheet No. D-17.01)

NET METERING PROGRAM
GENERATORS WITH A CAPACITY OF 20 KW AND LESS
SIGNED AGREEMENT ON FILE PRIOR TO JUNE 1, 2017

(Continued from Sheet No. D-17.00)

The interconnection device used to connect the Member-Consumer's renewable generator with the Cooperative's facilities shall comply with the requirements of IEEE standard 519 and 1547, and Underwriters Laboratories standard UL-1741 Scope 1.1a for utility-interactive (grid-connected) power systems. The Cooperative may require reasonable and adequate insurance coverage by the Member-Consumer and the Member-Consumer shall provide proof of liability coverage as may be required by the Cooperative.

The generation equipment must be located on the Member-Consumer's premises, serving only the Member-Consumer's premises, and must be intended primarily to offset a portion or all of the Member-Consumer's requirements for electricity. At the Member-Consumer's option, the generation capacity shall be determined by one of the following methods:

a) Aggregate nameplate capacity of the generator(s)

b) Aggregate projected annual kWh output of the generator(s)

The Member-Consumer is required to provide the Cooperative with the capacity rating in kW of the generating unit(s) and a projection of the annual kWh output of the generating unit(s) when completing the Cooperative's Net Metering Application. The Member-Consumer shall determine its annual electricity needs using one of the following methods:

a) The Member-Consumer's annual energy usage, measured in kWh, during the previous 12 month period:

b) Where metered demand data is available, the maximum integrated hourly demand measured in kW during the previous 12 month period: or

c) In cases where no data, incomplete data, or incorrect data for the Member-Consumer's past annual energy usage is available, or where the Member-Consumer is making changes on-site that will affect their future total annual electric usage, the Cooperative and the Member-Consumer shall mutually agree on a method to determine the Member-Consumer's future annual energy usage.

(Continued on Sheet No. D-17.02)

NET METERING PROGRAM
GENERATORS WITH A CAPACITY OF 20 KW AND LESS
SIGNED AGREEMENT ON FILE PRIOR TO JUNE 1, 2017
(Continued from Sheet No. D-17.01)

Metering

The Member-Consumer's usage and excess generation shall be determined using a single meter with separate registers measuring power flow in each direction. If there is a significant initial incremental cost to provide a meter measuring power flow in each direction above the cost for meters provided for similarly situated non-generating Member-Consumers, the difference in cost shall be paid by the Member-Consumer. Any service upgrades, protective or power quality equipment/devices necessary to accommodate the output of the generating unit(s), as determined by the Cooperative, shall be at the Member-Consumer's expense.

Monthly Charges

"Excess Generation" means energy and associated renewable energy attributes, including, but not limited to Renewable Energy Credits, generated by the Member-Consumer's renewable energy generator and not consumed at the Member-Consumer's location (and delivered to the Cooperative).

The Member-Consumer shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer for all energy delivered to the Member-Consumer by the Cooperative. The Member-Consumer shall be credited the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer for all Excess Generation. Energy produced by the Member-Consumer's renewable energy generator and consumed at the Member-Consumer's location without flowing onto the Cooperative's distribution system is not billed by the Cooperative, compensated by the Cooperative, or displayed on the billing statement.

The credit for any Excess Generation during the billing period shall be applied to the bill for that period. Any credit that is not used up during the current billing period shall be carried forward for use in subsequent billing periods. If a Member-Consumer terminates service with the Cooperative while having a net metering credit amount on their account, the G&T shall pay, through its agent, the Cooperative, the remaining credit amount to the Member-Consumer following a final reading by the Cooperative of the Member-Consumer's meter.

LOW INCOME ENERGY ASSISTANCE FUNDING FACTOR

This clause permits, pursuant to Public Act 95 of 2013, the collection of the low income energy assistance funding factor to fund the low-income energy assistance fund created by Public Act 95 of 2013. Beginning with all service rendered on and after **October 1, 2026,** each meter shall be subject to a monthly surcharge of **$1.50,** except that the low income energy assistance funding factor shall not be charged on more than one residential meter per residential site.

EFFICIENT ELECTRIC HEATING
SCHEDULE EEH

Availability

Available to Member-Consumers taking monthly service concurrently under Rate Schedules A, S or GS for qualifying electric heat pump loads. Also available to Member-Consumers of the Cooperative who were enrolled under Rate Schedules CH prior to July 31, 2015, provided the heating system in place at the time of enrollment was electric and the **First Revised** system remains in place. However, this rate in not transferrable for Rate Schedule CH after July 31, 2015, and will expire according to terms stated in Sheet D-8.00, Controlled Heating Service, Schedule CH. Service is subject to the established rules and regulations of the Cooperative. **An EEH service agreement between the Member-Consumer and the Cooperative is required for service under schedule EEH**.

The cooperative reserves the right to discontinue offering this rate to existing or new enrollees and to make the rate non-transferable at any time.

Bill Frequency

All Member-Consumers taking service under Schedule EEH will be billed once per month and subject to the terms of Meter Reading found below.

Meter Reading

Meter readings are to be supplied by the Member-Consumer on a once per month basis prior to the due date. If the Member-Consumer fails to provide a reading for three consecutive months, the Cooperative will obtain a reading and bill each metered account the Meter Reading Charge as shown on Sheet No. C-9.00.

Type of Service

Alternating current, 60 hertz at approximately 120/140 volts, single phase, three wire, separately metered and subject to the following minimum energy efficiency standards:

(Continued on Sheet No. D-19.01)

EFFICIENT ELECTRIC HEATING
SCHEDULE EEH (Cont'd)
(Continued from Sheet No. D-19.00)

Type of Electric Heat Pump	EER	SEER	COP	HSPF
Closed Loop Water-to-Air Geothermal	17.1		3.6	
Open Loop Water-to-Air Geothermal	21.1		4.1	
Closed Loop Water-to-Water Geothermal	16.1		3.1	
Open Loop Water-to-Water Geothermal	20.1		3.5	
Direct Geoexchange	16.0		3.6	
Air-Source Heat Pump Split System	12.5	15		8.5
Air-Source Heat Pump Package System	12.0	14		8.0

"EER" is the Energy Efficiency Ratio. "SEER" is the Seasonal Energy Efficiency Ratio. "COP" is the Coefficient of Performance. "HSPF" is the Heating Seasonal Performance Factor.

Monthly Rate

Distribution Charge: As set forth in Schedule A, S or GS, whichever is applicable.

Energy Optimization Surcharge:

This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Energy Charge for Efficient Electric Heat Load

As set forth in Schedule A, S or GS, whichever is applicable, including the power supply cost recovery provision, discounted at 3¢ per kWh.

Air Source Heat Pumps – discounted rate available during heating season.*
Geothermal Heat Pumps – discounted rate available year-round.**

*Discounted kWh on November, December, January, February, March, April, and May bills.
**Accounts enrolled under CH rates prior to July 31, 2015 will also receive discount year-round.

Terms of Payment

This rate schedule is subject to the terms of payment as set forth on the concurrent rate schedule that qualifies the member for service.

(Continued on Sheet No. D-19.02)

EFFICIENT ELECTRIC HEATING
SCHEDULE EEH (Cont'd)
(Continued from Sheet No. D-19.01)

Michigan State Sales Tax

Michigan State Sales Tax shall be added on all bills, including minimums, where applicable.

Tax Adjustments

A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.

B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

ELECTRIC WATER HEATING SERVICE
SCHEDULE EWH

Availability:

Available only to members of the Cooperative already taking monthly service concurrently under Rate Schedules A or GS, who were enrolled under the Controlled Water Heater Service (Schedule CWH) prior to July 31, 2015. Energy will be metered through the regular service meter. To qualify for this rate, the sole source of water heating must be electricity. Service is subject to the Cooperative's rules and regulations. This service option is not available to Member-Consumers using time clocks, remote control or other devices intended to prevent the load from adding to system peak demand.

This rate is not transferrable and will expire upon the occurrence of any one of the following events: termination of service by the Member-Consumer currently taking monthly service, when the unit fails or no longer functions as intended, or if the **First Revised** unit is replaced, regardless if the replacement is electric.

Type of Service:

Alternating current, 60 hertz, at approximately 240 volts, single phase, three-wire service will controlled by Cooperative's Load Management System.

Monthly Rate:

For Member-Consumers with tank capacity of 30 gallons or more, a credit of $4.50 per month will be applied to the bills of Member-Consumers. The Member-Consumer must use a minimum of 350 kWh per month per water heater before a water heater credit will be given.

For Member-Consumers with tank capacity of 50 gallons or more, a credit of $6.00 per month will be applied to the bills of Member-Consumers. The Member-Consumer must use a minimum of 350 kWh per month per water heater before a water heater credit will be given.

For Member-Consumers with tank capacity of 80 gallons or more, a credit of $7.50 per month will be applied to the bills of Member-Consumers The Member-Consumer must use a minimum of 350 kWh per month per water heater before a water heater credit will be given.

Energy will be charged the appropriate rate per kWh as specified on Sheet No. **D-5.00** in conjunction with Schedule A or Sheet No. **D-10.00** in conjunction with Schedule GS, including applicable Power Supply Cost Recovery adjustments and taxes. The applicable credit is available on a per meter basis such that only one credit per meter will be allowed regardless of the number of water heaters registering on a single meter.

DISTRIBUTED RENEWABLE ENERGY PROGRAM (DRE)
ON AND AFTER DECEMBER 1, 2025
GENERATORS WITH A CAPACITY OF 20 KW AND LESS

Availability

In order to facilitate the generation and transmission Cooperative's ("G&T") standing offer for 10 MW of solar and wind energy and to ensure the ongoing availability of net metering, this offer is available to Member-Consumers with a Distributed Renewable Energy Agreement on file with the Cooperative on or after December 1, 2025 who operate solar or wind renewable energy generation facilities with a nameplate capacity of 20 kW or less and are interconnected with the Cooperative's system, to generate a portion or all of the Member-Consumer's own electricity. If a Member-Consumer has more than one electric generator, the generator's rating(s) shall be summed and the sum may not exceed 20 kW.

The Cooperative's Distributed Renewable Energy Program is available on a first come, first serve, limited basis until the G&T's standing offer expires upon full 10 MW subscription, absent extension, renewal, or reauthorization by the G&T.

Upon enrolling in the Distributed Renewable Energy Program, Member-Consumers shall be eligible to continue participation for a term of ten years. A participating Member-Consumer may terminate participation in the Cooperative's Distributed Renewable Energy Program at any time and for any reason.

Member-Consumer Eligibility

To be eligible to participate in the Distributed Renewable Energy Program, Member-Consumers must (1) generate a portion or all of their own retail electricity requirements using a solar or wind renewable electric generator, and (2) be Full Requirements Service Member-Consumers taking service under the Cooperative's applicable service tariff. The base fee of the applicable service tariff shall be paid in full by the Member-Consumer for each billing period - distributed renewable energy credits cannot be applied to the base fee.

Member-Consumers wishing to participate in the Distributed Renewable Energy program shall obtain a Distributed Renewable Energy Application from the Cooperative and submit the completed application, including the $100.00 application fee, for review. Upon approval of the Distributed Renewable Energy Application, the Cooperative shall issue a Distributed Renewable Energy and Interconnection Agreement to be signed by the Member-Consumer, the Cooperative, and the G&T. A copy of the signed agreement will be kept on file at the Cooperative. A signed Distributed Renewable Energy and Interconnection Agreement ("Agreement") is required prior to interconnection of the Member-Consumer's generator to the Cooperative's facilities.

Member-Consumers must complete construction and meet commercial operation of the Member-Consumer Facility within 180 days of signing the Agreement.

(Continued on Sheet No. D-21.01)

DISTRIBUTED RENEWABLE ENERGY PROGRAM (DRE)
ON AND AFTER DECEMBER 1, 2025
GENERATORS WITH A CAPACITY OF 20 KW AND LESS
(Continued from Sheet No. D-21.00)

The interconnection device used to connect the Member-Consumer's renewable energy generator with the Cooperative's facilities shall comply with the requirements of IEEE standard 519 and 1547, and Underwriters Laboratories standard UL-1741 Scope 1.1a for utility-interactive (grid-connected) power systems. The Cooperative may require reasonable and adequate insurance coverage by the Member-Consumer and the Member-Consumer shall provide proof of liability coverage as may be required by the Cooperative.

The generation equipment must be located on the Member-Consumer's premises, serving only the Member-Consumer's premises, and must be intended primarily to offset a portion or all of the Member-Consumer's requirements for electricity. At the Member-Consumer's option, the generation capacity shall be determined by one of the following methods:

a) Aggregate nameplate capacity of the generator(s), or

b) Aggregate projected annual kWh output of the generator(s)

The Member-Consumer is required to provide the Cooperative with the capacity rating in kW of the generating unit(s) and a projection of the annual kWh output of the generating unit(s) when completing the Cooperative's Distributed Renewable Energy Application. The Member-Consumer shall determine its annual electricity needs using one of the following methods:

a) The Member-Consumer's annual energy usage, measured in kWh, during the previous 12 month period;

b) Where metered demand data is available, the maximum integrated hourly demand measured in kW during the previous 12 month period; or

c) In cases where no data, incomplete data, or incorrect data for the Member-Consumer's past annual energy usage is available, or where the Member-Consumer is making changes on-site that will affect their future total annual electric usage, the Cooperative and the Member-Consumer shall mutually agree on a method to determine the Member-Consumer's future annual energy usage.

Metering

The Member-Consumer's usage and excess generation shall be determined using a single meter with separate registers measuring power flow in each direction. If there is a significant initial incremental cost to provide a meter measuring power flow in each direction above the cost for meters provided for similarly situated non-generating Member-Consumer's, the difference in cost shall be paid by the Member-Consumer. Any service upgrades, protective or power quality equipment/devices necessary to accommodate the output of the generating unit(s), as determined by the Cooperative, shall be at the Member-Consumer's expense.

(Continued on Sheet No. D-21.02)

DISTRIBUTED RENEWABLE ENERGY PROGRAM (DRE)
ON AND AFTER DECEMBER 1, 2025
GENERATORS WITH A CAPACITY OF 20 KW AND LESS
(Continued from Sheet No. D-21.01)

Monthly Charges and Credits

"Excess Generation" means energy and associated renewable energy attributes, including, but not limited to Renewable Energy Credits, generated by the Member-Consumer's renewable energy generator and not consumed at the Member-Consumer's location (and delivered to the Cooperative).

The Member-Consumer shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer for energy delivered to the Member-Consumer by the Cooperative. The Member-Consumer shall be credited 5.6 cents per kwh, for Excess Generation. Energy produced by the Member-Consumer's solar or wind renewable energy generator and consumed at the Member-Consumer's location without flowing onto the Cooperative's distribution system is not billed by the Cooperative, compensated by the Cooperative, or displayed on the billing statement.

The credit for any Excess Generation during the billing period shall only be applied to the energy charge of the standard service tariff applicable to the Member-Consumer and will be applied to the bill for that period. Any credit that is not used up during the current billing period shall be carried forward for use in subsequent billing periods. If a Member-Consumer terminates service with the Cooperative while having a distributed renewable energy credit amount on their account, the G&T shall pay, through its agent, the Cooperative, the remaining credit amount to the Member-Consumer following a final reading by the Cooperative of the Member-Consumer's meter.

RENEWABLE ENERGY STANDING OFFER LIMITED PURCHASE AND SALE PROGRAM ON AND AFTER MARCH 1, 2026
(Buy-All/Sell-All)

In order to provide for the safety of Member-Consumers, Cooperative personnel, and others, and to ensure reliable electric service consistent with the generation and transmission Cooperative's ("G&T") standing offer for 10 MW of solar and wind renewable energy, the following requirements are established for connection and/or operation of Member-Consumer generation facilities in parallel with the Cooperative's distribution system, beginning December 1, 2025.

Availability

The Cooperative's Buy-All/Sell-All Program is available on a first come, first serve, limited basis until the G&T's standing offer expires upon full 10 MW subscription, absent extension, renewal, or reauthorization by the G&T.

These requirements govern all Member-Consumer-owned generation facilities, which generate all of their electricity using a solar or wind renewable energy generator ("Member-Consumer Facility"), with a nameplate of 100 kW or less.

Member-Consumers wishing to participate in the Buy-All/Sell-All program shall submit a completed Buy-All/Sell-All Application and the $100 application fee to the Cooperative for review. Upon approval of the Buy-All/Sell-All Application, the Cooperative shall issue a Buy-All/Sell-All Interconnection and Purchase Agreement ("Agreement") between the Member-Consumer, the Cooperative, and the G&T. Member-Consumers must complete construction and meet commercial operation of the Member-Consumer Facility within 180 days of signing the Buy-All/Sell-All Interconnection and Purchase Agreement.

The nameplate of the renewable energy generator size is limited to 100 kW per Member-Consumer. The Member-Consumer's entire renewable energy generator must fit within the limit and must be located on the Member-Consumer's premises. If a Member-Consumer has more than one renewable energy generator, the generators' ratings must be summed and the sum may not exceed 100 kW.

Upon enrolling in this Buy-All/Sell-All program, the term of the Agreement is 20 years. A participating Member-Consumer may terminate participation in the Buy-All/Sell-All program at any time and for any reason.

If the Member-Consumer does not meet (or, for the term of the Agreement, continue to meet) all of the requirements of the Agreement, as well as the requirements listed below, the Cooperative may require termination of parallel operation and the Member-Consumer shall be liable for any damages or injury resulting from unauthorized or improper connection and/or operation of the Member-Consumer's Facility.

(Continued on Sheet No. D-22.01)

RENEWABLE ENERGY STANDING OFFER LIMITED PURCHASE AND SALE PROGRAM ON AND AFTER DECEMBER 1, 2025 (BUY-ALL/SELL-ALL) (CONTINUED FROM SHEET D-22.00)

Safety and Reliability Requirements

The Member-Consumer shall submit for the Cooperative's review detailed electric diagrams, equipment nameplate data, including the interface device and control system of the Member-Consumer's power source and a site plan.

The Member-Consumer's control and protection system and site plan must be acceptable to the Cooperative and in accordance with these safety and reliability standards. This system shall provide for immediate automatic shutdown or separation of the Facility and the Cooperative system in the event of momentary or extended loss of power from the Cooperative, including loss of one or more phases if the Member-Consumer is generating three phase power. The shutdown or separation must continue until normal utility service is restored. The shutdown or separation shall occur when frequency, voltage, and/or current deviate from normal utility standards. The Member-Consumer shall be liable if the Member-Consumer's protection system fails to function.

A disconnecting device suitable for use as a protective tag location may be required so as to be accessible and in reasonably close proximity to the billing meter.

The completed installation must meet all local, state and national codes and regulations and is subject to inspection by proper enforcement authorities before commencement of parallel operation. In addition, the Cooperative may, at its discretion, inspect or test the facility at any time.

The Member-Consumer shall advise the Cooperative prior to making any revisions to the Facility, the control system, or the interface between the two power systems after the installation. Any such revision must be acceptable to the Cooperative.

Should the parallel operation of the Facility cause interference or adversely affect voltage, frequency, harmonic content or power factor in the Cooperative's system or other Member-Consumers' service, the Cooperative may require disconnection of parallel operation until the condition has been corrected.

Metering

Separate metering shall be installed to determine generation output. The Member-Consumer Facility must deliver, to the Cooperative's system, all energy generated. The Member-Consumer shall pay the incremental cost of all such metering above the cost for meters provided for similarly situated non-generating Member-Consumers. Any service upgrades or protective equipment/devices necessary to accommodate the output of the generating unit(s), as determined by the Cooperative, shall be at the Member-Consumer's expense.

(Continued on Sheet No. D-22.02)

RENEWABLE ENERGY STANDING OFFER LIMITED PURCHASE AND SALE PROGRAM ON AND AFTER DECEMBER 1, 2025 (BUY-ALL/SELL-ALL)
(CONTINUED FROM SHEET D-22.01)

Reimbursement of Costs

The Member-Consumer shall pay for all costs associated with any addition to (or alteration of) the Cooperative's equipment required for metering and for the safe and reliable operation of the Facility in parallel with the Cooperative's system, as noted above, as well as an interconnection study, at the request of the Cooperative. The Member-Consumer shall also pay for costs of changes required due to safety or adverse effects on other Member-Consumers and/or on the Cooperative caused by the connection and/or operation of the Member-Consumer's renewable energy generator.

The Cooperative may require reasonable and adequate insurance coverage by the interconnecting Member-Consumer and the Member-Consumer shall provide proof of liability coverage as may be required by the Cooperative.

Monthly Charges and Credits

The Member-Consumer shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer for all energy delivered to the Member-Consumer by the Cooperative, including energy necessary to operate the Member-Consumer's renewable energy generator.

The Cooperative, as agent for the G&T, shall pay the Member-Consumer 6.5 cents per kWh for all energy delivered to the Cooperative by the Member-Consumer as a credit on the Member-Consumer's monthly bill. The credit will be applied to the energy charge of the standard service tariff applicable to the Member-Consumer and will be applied to the bill for that period. Any credit that is not used up during the current billing period shall be carried forward for use in subsequent billing periods.

If a credit accumulates to an amount greater than $100, the Cooperative may pay the balance to the Member-Consumer as an agent for the G&T.

If a Member-Consumer terminates service with the Cooperative while having a remaining credit amount on their account, the G&T shall pay, through its agent, the Cooperative, the remaining credit amount to the Member-Consumer following a final reading by the Cooperative of the Member-Consumer's meter

COMMUNITY SOLAR PROGRAM

Availability

The Cooperative's generation and transmission Cooperative ("G&T") has created a standing offer for 10 MW of renewable energy, produced by solar and wind energy generators. As part of that standing offer, the G&T has developed a Community Solar Program for the Cooperative and its Member-Consumers, available from the SpartanSolar-Wolverine array on M-55 in Cadillac, Michigan ("Facility").

The Community Solar Program permits voluntary participation by Member-Consumers who may benefit from available solar resources without the cost of permanent installation, impact on property, or hassle of maintenance.

Member-Consumers wishing to participate in the Community Solar Program must submit a completed Community Solar Subscription and Credit Form to the Cooperative to commit to the desired subscription level. Upon acceptance and determination of the applicable subscription cost, the Cooperative shall issue a Community Solar Subscription and Credit Agreement between the Member-Consumer, the Cooperative, and the G&T. Acceptance into the Program is on a limited basis until the earlier of: (1) the full output of the Facility has been subscribed or (2) December 31, 2019.

Upon enrolling in the Community Solar Program, the subscription is effective for a term of 15 years. A participating Member-Consumer may terminate participation in the Community Solar Program at any time and for any reason, subject to refund provisions as outlined below. If participation is terminated, a Member-Consumer must wait 12 months before re-enrolling.

Payments

Member-Consumers have the following subscription options under the Community Solar Program, priced on a per "panel" (while the Member-Consumer will not have ownership in a solar panel, each subscription is based on the output of one solar panel) basis, as follows:

1. A single upfront subscription payment of $600, or

2. $10 monthly subscription payments for 5 years.

Each solar panel is rated at approximately 335 watts.

While the single upfront payment is due upon acceptance by the Cooperative, monthly subscription payment amounts will appear on the Member-Consumer's bill each month, for 60 months. The subscription payment covers the cost of solar energy, which includes cost of construction, operation and maintenance costs, financing costs, insurance, required interconnection and electric system modification costs, program management costs, and the value of all intrinsic renewable attributes, including, but not limited to, Renewable Energy Credits, associated with the solar energy output.

(Continued on Sheet No. D-23.01)

COMMUNITY SOLAR PROGRAM
(Continued from Sheet D-23.00)

Refund

If a Member-Consumer dies, terminates service with the Cooperative, has received Solar Output Energy Credits for 15 years, or requests to terminate the Community Solar Subscription and Credit Agreement, the Member-Consumer will receive a refund of their remaining solar energy subscription, which is calculated by determining the Member-Consumer's amount paid for Subscribed Solar Energy and reducing it by the amount of Solar Energy Output Credits paid to the Member-Consumer as of the date of termination.

If a Member-Consumer fails to pay three monthly subscription payments, the Cooperative may terminate the Member-Consumer's Community Solar Subscription and Credit Agreement at the Cooperative's sole discretion. Upon termination, the Member-Consumer is eligible for refund as calculated above, minus a $50 default fee.

Service and Credit

The Member-Consumer shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer for all energy delivered to the Member-Consumer by the Cooperative.

In the first month where Facility output data is available and after the upfront subscription or first monthly subscription has been paid, the Cooperative shall pay the Member-Consumer $.10/kWh every month as a bill credit, known as the Solar Energy Output Credit, equal to the Member-Consumer's pro rata share of the Facility's output (measured in kilowatt hours at the array), from the most recent month available.

This pro rata share will reflect the Member-Consumer's percentage subscription in the array when applied to the output of the entire array. The Member-Consumer is entitled to Solar Energy Output Credits for 15 years from the effective date of the Community Solar Subscription and Credit Agreement.

If the monthly Solar Energy Output Credit exceeds the energy charge of the standard service tariff applicable to the Member-Consumer, the excess credit will be rolled over and applied to the next month's applicable energy charge.

Although the value of the Solar Energy Output Credit may increase over the life of the Community Solar Program, there should be no expectation (and there is no guarantee) that the value of the credit will be greater than the subscription payment. Participants should not enroll in this program with any expectation of profit or financial gain.

ICE STORM RECOVERY CHARGE

This clause permits the collection of an ice storm recovery charge to fund the cost of restoring and repairing the damage incurred during the 2025 ice storm in the Cooperative's electric service territory. Beginning with all service rendered on and after September 1, 2025, each meter shall be subject to a monthly surcharge of **$20.00**, except that the ice storm recovery charge shall not be charged on more than one residential meter per residential site.

The ice storm recovery charge will apply to the following rate classes:

Residential Service (Schedule A)

Seasonal Residential Service (Schedule S)

General Services (Schedule GS)

Large General Service (Schedule LG)

Optional Large Power Time of Day Service (Schedule LPTOD)

Primary Service (Schedule PSDS)

SECTION E
RETAIL ACCESS SERVICE TARIFF
1.0 INTRODUCTION AND DEFINITIONS

This tariff expresses the terms and conditions associated with Retail Access Service and provides information regarding the roles of the various market participants. This tariff includes the following sections:

Introduction and Definitions	Section 1.0
Member-Consumer Section	Section 2.0
Alternative Electric Supplier Section	Section 3.0
Dispute Resolution	Section 4.0
Liability and Exclusions	Section 5.0

When a Member-Consumer participates in Retail Access Service and obtains Generation Services from an Alternative Electric Supplier (AES), the Cooperative will maintain a relationship and interact with the separate participants – including the Member-Consumer, the Transmission Service Provider, and the AES.

1.1 The Member-Consumer Role

The Member-Consumer is the end-user of Power in the State of Michigan who has facilities connected to the Cooperative's Distribution System. Under Retail Access Service, the Member-Consumer will conduct transactions with at least two participants – including the Cooperative and an AES. The Member-Consumer is responsible for choosing an AES. Member-Consumers may receive transmission service directly from the Transmission Service Provider or the AES may make such arrangements as part of its service to the Member-Consumer.

The Cooperative's principal requirement is that the Member Consumer must be taking service under the Cooperative's Schedule LG and have a Maximum Demand of at least 50 kW. An Individual Member-Consumer currently demand metered and who is eligible to be taking service under the Cooperative's Schedule LG may achieve the 50 kW Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to aggregated metering points on an individual account basis. No more than 30% of the total number of member-consumers between 50 kW and 199 kW may be eligible for service under this tariff.

(Continued on Sheet No. E-1.01)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.00)

The Member-Consumer is ultimately responsible for the purchase and delivery of power to the Cooperative's distribution system that is sufficient to meet the Member-Consumer's electrical requirements for each hour of each day. If for any reason, including but not limited to the failure or default of the AES, the failure of its generation resources and/or transmission system constraints, power is delivered to a retail open access Member-Consumer by the Cooperative then the Member-Consumer shall purchase said power from the Cooperative pursuant to the Default Service provisions of this tariff.

1.2 The Alternative Electric Supplier Role

An Alternative Electric Supplier (AES) is a Person that has been licensed by the Michigan Public Service Commission to sell electric generation service to retail Member-Consumers in this state. The AES takes title to Power and sells Power in Michigan's retail electric market.

An AES makes necessary arrangements to provide Power to Member-Consumers, assembles products and/or services, and sells the products and/or services to Member-Consumers. The AES must meet all applicable statutory and regulatory requirements of Michigan and federal law.

Market participation responsibilities of the AES or Member-Consumer include: scheduling energy, obtaining and paying for transmission and ancillary services (including energy imbalance charges), and payment or provision of energy for losses incurred on the Transmission System and the Distribution System to deliver Power. The AES is responsible for assuring power supply, arranging deliveries to the Cooperative's Distribution System, and managing its own retail sales.

1.3 Transmission Service Provider Role

The Transmission Service Provider delivers electrical energy to the Cooperative's distribution system. To obtain retail access service, the Member-Consumer or the AES on behalf of the Member-Consumer must arrange for transmission service from the Transmission Service Provider. The Transmission Service Provider provides services to transmission consumers, whether an AES or a Member-Consumer as defined herein, pursuant to its Open Access Transmission Tariff (OATT) rules and regulations as approved by the Federal Energy Regulatory Commission or pursuant to a Transmission Tariff approved by another appropriate regulatory authority.

(Continued on Sheet No. E-1.02)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.01)

1.4 Cooperative Role

The Cooperative provides facilities and related services for the distribution of electricity and is the Member-Consumer's primary contact for electric service. Under Retail Access, the Cooperative arranges for the physical connection of the Member-Consumer's facilities to the Distribution system and provides system maintenance, outage restoration, metering equipment, meter data processing, bill processing for distribution services and other Member-Consumer support services.

The Cooperative's Generation Services (Default Service and Full Requirements Service) offered herein are supplied by purchases for resale from the Cooperative's wholesale power supplier. Such purchases are made pursuant to tariffs that are established by the wholesale power supplier and approved by the Federal Energy Regulatory Commission or other appropriate regulatory authority.

1.5 Definitions

"*Aggregate"* or "*Aggregation"* means to combine or the combination of multiple metering points serving an individual Member-Consumer for the purpose of qualifying for Retail Access Service.

"Alternative Electric Supplier" or "AES" means a Person properly licensed by the Michigan Public Service Commission to sell electric Generation Service to retail Consumers in the state of Michigan. AES does not include a Person who physically delivers electricity from the AES directly to retail Consumers in Michigan.

"Commission" means the Michigan Public Service Commission.

"Cooperative" means Presque Isle Electric & Gas Co-Op or its agent.

"Default Service" means Generation Service provided by the Cooperative. Default Service shall be purchased under the rates, terms, and conditions in the applicable Retail Access Standby Service tariff approved by the Commission.

(Continued on Sheet No. E-1.03)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.02)

"Demand" means the amount of Power required to meet the Member-Consumer's load averaged over a designated interval of time, expressed in kilowatts or megawatts.

"Distribution Point of Delivery" means the point of interconnection between the Cooperative's Distribution System and the Member-Consumer's service Location.

"Distribution Point of Receipt" means the point of interconnection between the Cooperative's Distribution System and the Transmission System or other facilities where electric Energy is received for delivery to a Member-Consumer.

"Distribution Service" means the provision of retail Regulated Electric Service including delivery of Generation over the Distribution System, and ancillary services all provided by the Cooperative pursuant to its rates for Retail Access Service.

"Distribution System" means facilities operated by the Cooperative for the purpose of distributing electric power within the Cooperative's electric service territory, which are subject to the jurisdiction of the Commission.

"*Drop Request*" means a request by an AES to terminate Generation Service to a Member-Consumer.

"Drop Response" means a response sent by the Cooperative to an AES which submitted a Drop Request that confirms the requested Member-Consumer drop as pending and provides certain Member-Consumer information or, if the Drop Request is denied, provides a reason or invalidation code explaining why the request was denied.

"Energy" refers to "electrical energy." Energy is usually measured in kilowatt-hours (kWh) or megawatt-hours (MWh).

"Full Requirements Service" means the provision of retail Regulated Electric Service including generation, transmission, distribution, and ancillary services all provided by the Cooperative pursuant to its rates for standard electric service.

(Continued on Sheet No. E-1.04)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.03)

"Generation Service" means the provision of electric Power, transmission, and related ancillary services.

"Interval Demand Meter" means a meter capable of measuring and recording kW demands and kVAR demands on a sub-hour time interval and hourly integrated basis and measuring energy in kWh on a cumulative basis.

"Load" means any end-use device drawing energy from the electric system.

"Location" means each Member-Consumer facility, whether owned or leased, where power is delivered by the Cooperative.

"Maximum Demand" (also known as "Peak Demand") means the highest 15-minute integrated demand created during the current and previous eleven (11) billing months at each voltage level, whether the Member-Consumer received service under this tariff or another Cooperative retail tariff.

"Member-Consumer" means, for purposes of Retail Access Service, a Person with electrical load facilities connected to the Cooperative's Distribution System and to whom Power is delivered to its Location pursuant to this tariff. All Member-Consumers, regardless of the voltage level of the service, are considered to be connected to the Cooperative's Distribution System.

"Open Access Transmission Tariff (OATT)" means Open Access Transmission Tariff of a Person owning or controlling the Transmission System, on file with the Federal Energy Regulatory Commission, as may be amended from time to time.

"Person" means an individual, governmental body, corporation, partnership, association, or other legal entity.

"Power" means a combination of the electric Demand and Energy requirements of the Member-Consumer.

(Continued on Sheet No. E-1.05)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.04)

"Retail Access Service" means the service offered by the Cooperative under applicable laws, regulations, tariffs and agreements, which allows the Member-Consumer to purchase Generation Service from a licensed AES, with Power delivered through the Cooperative's Distribution System.

"Regulated Electric Service" means the services offered by the Cooperative under terms and conditions approved by the Commission.

"Relevant Market" means either the Upper Peninsula or the Lower Peninsula of this state.

"Slamming" means the act of changing the Member-Consumer's chosen AES, or changing the Member-Consumer from Full Requirements Service to Generation Service from an AES, without the Member-Consumer's consent.

"Switch" means a Member-Consumer move from one provider of Generation Service to another.

"Switch Date" means the date on which the Member-Consumer is actually assigned to a new Generation Service provider for purposes of Energy supply responsibility.

"Switch Request" means a request by an AES to switch the Member-Consumer from the Cooperative or another AES to the requesting AES, for Generation Service.

"Switch Response" means a response sent by the Cooperative to an AES which submitted a Switch Request that confirms the requested Member-Consumer switch as pending and provides certain Member-Consumer information or, if the Switch Request is denied, provides a reason or invalidation code explaining why the request was denied.

"Transmission Service Provider" means a Person that owns, controls and/or operates transmission facilities and provides transmission and related services to the Cooperative including scheduling of power supply resources into the transmission system on behalf of the Cooperative.

(Continued on Sheet No. E-1.06)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.05)

"Transmission System" means facilities operated by a Person used for transmitting electric Power to the Distribution Point of Receipt, and subject to the jurisdiction of the Federal Energy Regulatory Commission.

"Uniform Data Transaction" means specific technical arrangements for trading information, initiating business requests and executing other common transactions. These arrangements may encompass a number of electronic media and use specified transport protocols.

(Continued on Sheet No. E-1.07)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.06)
2.0 MEMBER-CONSUMER SECTION

2.1 Availability

Retail Access Service is available to all existing or new Member-Consumers that meet the terms and conditions of this Retail Access Service tariff and other applicable Cooperative tariffs, subject to contracting with an AES.

2.2 Eligibility

2.2.1 A Member-Consumer's eligibility to take Retail Access Service is subject to the full satisfaction of any terms or conditions imposed by pre-existing contracts with or tariffs of the Cooperative. Member-Consumers must have satisfied any past due amounts for Regulated Electric Service owed to the Cooperative under any other arrangements or provisions for Regulated Electric Service before taking service under this tariff.

2.2.2 An Individual Member-Consumer who is eligible to be taking service under the Cooperative's Schedule LG and having a demand meter with a Maximum Demand of at least 50 kW is eligible to take service under this tariff. An Individual Member-Consumer receiving demand metered service at multiple metering points and who is eligible to be taking service under the Cooperative's Schedule LG may achieve the 50 kW Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to aggregated metering points on an individual account basis. No more than 30% of the total number of member-consumers between 50 kW and 199 kW may be eligible for service under this tariff.

2.3 Member-Consumer Information

Member-Consumers will be provided their own usage and billing information upon request. No fee shall be charged for the first request per calendar year related to a specific Member-Consumer account. An AES must obtain written authorization from the Member-Consumer before the Cooperative will provide an AES with a Member-Consumer's currently available usage and billing information. Subsequent requests by the Member-Consumer or the AES will require a fee of $30.00 per account that will be billed to the Member-Consumer.

(Continued on Sheet No. E-1.08)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.07)

2.4 Member-Consumer Enrollment and Switching

2.4.1 A Member-Consumer which switches to an AES cannot return to the Cooperative's Full Requirements Service for two years after the switch to the AES has been effectuated. See Return to Service Provision in Section 2.6.

2.4.2 A Member-Consumer will specify only one AES at any given time for the supply of Power to each Member-Consumer account or Member-Consumer Location. Member-Consumers that are receiving Retail Access Service through aggregated Locations will specify the same AES for all accounts or locations at any given time.

2.4.3 A Member-Consumer shall be permitted to change AESs. Assuming all other requirements are met, the changes will become effective at the completion of their normal billing cycle. Member-Consumers will be assessed a fee of $10.00 per Member-Consumer account for each change beyond one (1) within a calendar year. The change will be submitted to the Cooperative by the Member-Consumer's newly chosen AES as a Switch Request.

2.4.4 The AES shall submit to the Cooperative a Switch Request via a Uniform Data Transaction after a required ten (10) day Consumer rescission period.

2.4.5 The Cooperative will process one (1) valid Switch Request per Member-Consumer per meter reading cycle. Where multiple Switch Requests for the same Member-Consumer are received during the same meter reading cycle, the Cooperative will process the first valid Switch Request received during a meter read cycle. A Switch Response for each rejected Switch Request will be sent to the appropriate AES via a Uniform Data Transaction within three (3) business days.

(Continued on Sheet No. E-1.09)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.08)

The Cooperative will normally validate a Switch Request within three (3) business days of the receipt of the Switch Request and will transmit a Switch Response to the AES. As part of the validation process, the Cooperative shall notify the Member-Consumer in writing that a Switch Request has been received and is being processed.

For valid Switch Requests from one AES to another, the Cooperative will at the same time send to the AES currently serving the Member-Consumer, via the appropriate Uniform Data Transaction, notice that the AES's service is to be terminated, including the scheduled Member-Consumer Switch Date. In the event that the Member-Consumer or the new AES cancels the Switch before the Switch Date, the Cooperative will send to the current AES, via appropriate Uniform Data Transaction, notice reinstating the current AES's service unless the current AES has submitted a valid Drop Request.

Cut-off time for the receipt of Switch Requests is eight (8) business days in advance of the Member-Consumer's Switch Date. In the case of errors or omissions in Switch Requests received by the Cooperative, final disposition of exceptions may take up to five (5) business days.

2.4.6 Other than in situations where Member-Consumers require new meter installations as part of a Switch, Member-Consumer Switches will be scheduled to take place on the scheduled meter reading date, and will be effective on the actual meter reading date or the date of an estimated meter reading for billing purposes. The Switch Date shall be effective on the next scheduled meter read date that is not less than eight (8) business days after the Switch Request has been confirmed as pending. The AES change shall occur at midnight (00:00) local time at the beginning of the effective date.

(Continued on Sheet No. E-1.10)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.09)

2.4.7 The Cooperative shall process Drop Requests submitted by AESs in the same manner as it processes Switch Requests, including Member-Consumer notification. AESs shall be subject to the same timing, validation and Uniform Data Transaction requirements for Drop Requests as for Switch Requests. An AES shall inform the Member-Consumer in writing of the submission of a Drop Request.

2.5 Metering

2.5.1 Metering equipment for Member-Consumers taking Retail Access Service shall be furnished, installed, read, maintained, and owned by the Cooperative.

2.5.2 Member-Consumers shall be required to have an Interval Demand Meter at each metering point.

2.5.3 If a new Interval Demand Meter is required, time and material costs to install it will be assessed to the Member-Consumer.

2.5.4 The Cooperative may require that the meter be read via telephone. In such cases, Member-Consumers will be required to provide a telephone connection for purposes of meter interrogation by the Cooperative. If a Member-Consumer is not able to allow sharing of a telephone connection, the Member-Consumer may be required to obtain a separate telephone connection for such purposes. The Member-Consumer is responsible for assuring the performance of the telephone connection. The Member-Consumer shall be responsible for all costs of the required telephone connection.

2.5.5 In cases where a telephone connection used by the Cooperative for meter interrogation is out of service, the Cooperative may retrieve the data manually for a nominal monthly fee of $40.00 payable by the Member-Consumer. In the event that the telephone connection is out for three consecutive billing months, the Member-Consumer's Retail Access Service may be terminated and the Member-Consumer will be returned to service under the Cooperative's Full Requirements Service tariffs subject to the provisions of Section 2.6, unless said outage is due to non-performance by the telecommunications service provider.

(Continued on Sheet No. E-1.11)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.10)

2.5.6 Energy consumption and Demand for settlement purposes shall be based on the data from the Interval Demand Meters.

2.5.7 Where monthly metered Energy data is not available due to metering errors, malfunctions, or otherwise, the billing quantities will be estimated by the Cooperative using the available historical data and other relevant information for the Member-Consumer.

2.6 Return to Full Requirements Service

2.6.1 A Member-Consumer which switches to an AES cannot return to the Cooperative's Full Requirements Service for two (2) years after the switch to the AES has been effectuated. After such two (2) year period, a Member-Consumer may return to full service after giving the Cooperative at least 30 days written notice, unless the Member-Consumer wants to take service during the summer months of June through September, in which case the Member-Consumer must give the Cooperative notice no later than the preceding December 1. The Cooperative will return the Member-Consumer to Full Requirements Service following the notice period. Said notice period commences with the beginning of the Member-Consumer's billing cycle following receipt of the Member-Consumer's written notice of intent to return to Full Requirements Service. If the Member-Consumer returns to the Cooperative's Full Requirements Service for any reason prior to such two (2) year period or prior to the expiration of the notice period, the Member-Consumer's rate will be determined as the greater of:

A. The charges for Default Service plus the applicable Retail Access Service rate, or

B. 110% of the applicable Full Requirements Service Rate.

(Continued on Sheet No. E-1.12)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.11

2.6.2 A Member-Consumer, having given notice of its intent to return to Full Requirements Service under Section 2.6.1, will receive Cooperative Default Service if, at any time during the notice period, it discontinues purchasing Generation Service from an AES.

2.6.3 A Member-Consumer taking Default Service under the provisions of Section 2.6.2 may switch to another AES as provided in Section 2.4 at any point during the period that they are on Default Service.

2.6.4 The AES shall transmit a Member-Consumer Drop Request to the Cooperative via a Uniform Data Transaction when the Member-Consumer requests return to Full Requirements Service or when AES service is not being continued for any reason. The AES shall inform the Member-Consumer of the Drop Request in writing.

2.6.5 The Cooperative will normally validate a Drop Request within three (3) business days of the receipt of the Drop Request and will transmit a Drop Response to the AES. As part of the validation process, the Cooperative will notify the Member-Consumer in writing that a Drop Request has been received and is being processed.

2.6.6 The Switch from AES to Full Requirements Service will be processed on the next meter read date after the AES submits the necessary Drop Request to the Cooperative, provided that the requirements of Section 2.6.1 are met. If the requirements of Section 2.6.1 are not met, then the Member-Consumer will be switched to Cooperative Default Service until said requirements are met. The Switch shall occur at midnight (00:00) local time at the beginning of the effective date.

2.6.7 A Member-Consumer returning to Full Requirements Service must remain on such service for the minimum term stated in the applicable Full Requirements Service tariff, but not less than twelve (12) months.

(Continued on Sheet No. E-1.13)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.12

2.6.8 In the event of Slamming from Full Requirements Service, a Member-Consumer who desires to return to Full Requirements Service may do so. The Cooperative will waive the twelve (12) month minimum term requirements. The Cooperative's Default Service does not apply to such Member-Consumers.

2.6.9 In the event a Member-Consumer is dropped by the AES due to the bankruptcy of the AES or upon the complete withdrawal of the AES from the Relevant Market, the Member-Consumer may receive Default Service from the Cooperative for not more than three (3) full billing cycles. By the end of that time period, the Member-Consumer must either have a Switch Request completed on their behalf as provided in Section 2.4, or give notice of its intent to return to Full Requirements Service as provided in Section 2.6.1. A Member-Consumer that does not arrange for Generation Service from a different AES or give notice of its intent to return to Full Requirements Service within three (3) months shall be disconnected.

2.7 Billing and Payment

2.7.1 The Cooperative will bill the Member-Consumer for Retail Access Service as outlined in Section 3.3 of this tariff.

2.7.2 The Member-Consumer shall pay the Cooperative the amount billed by the Cooperative on or before a due date established by Member-Consumer billing rules approved by the Commission in accordance with the Commission's consumer standards and billing practices, R 460.1601 et seq., as amended, for nonresidential Consumers.

2.7.3 Where incorrect billing results from an error discovered by either the Cooperative, the AES or the Member-Consumer, the error will be corrected and revised bills, as appropriate for the Member-Consumer and/or AES, will be calculated and settled on the next billing period after the error is discovered. Billing errors discovered by the Cooperative shall be adjusted as provided for in the Commission's applicable billing rules.

(Continued on Sheet No. E-1.14)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.13

2.8 Disconnection of Service

The Cooperative is the only Person allowed to physically disconnect service to a Member-Consumer. Disconnection of service to a Member-Consumer for non-payment of the Cooperative's bill or for any violation of the Cooperative's tariffs shall be in accordance with applicable Commission rules and Cooperative tariffs. The Cooperative shall notify the AES in writing of the intent to disconnect and the date and time of actual disconnection. The Cooperative shall not be liable for any losses to the AES due to disconnection.

(Continued on Sheet No. E-1.15)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.14
3.0 ALTERNATIVE ELECTRIC SUPPLIER SECTION

3.1 Availability

The AES will not be eligible to enroll Member-Consumers unless and until the following conditions have been satisfied and continue to be satisfied. The AES has sole responsibility for conditions 3.1.1, 3.1.2, and 3.1.3. The Cooperative will check and verify conditions 3.1.4 and 3.1.5.

3.1.1 The AES has been granted a license by the Commission.

3.1.2 The AES has obtained and maintains a Member-Consumer-signed Enrollment indicating that the Member-Consumer has chosen to switch its Generation Service to the AES.

3.1.3 The AES has executed agreements with the appropriate Transmission Service Provider(s).

3.1.4 The AES has demonstrated its capability to meet the Cooperative's defined standards and protocols for Uniform Data Transactions.

3.1.5 The AES has executed a Retail Access Service agreement (which may include, but is not limited to, a portfolio of Member-Consumers, negotiated services, etc.) with the Cooperative and complied with the Cooperative's Member-Consumer enrollment requirements to prevent Slamming.

3.2 Switch and Drop Requests

3.2.1 Switch Requests and Drop Requests will be handled in accordance with Section 2.4 of this tariff and will be accepted for processing by the Cooperative.

(Continued on Sheet No. E-1.16)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.15

3.2.2 When a Member-Consumer requests to discontinue receiving Generation Service from the AES or when the AES's service is being discontinued for any reason, the AES shall transmit a Member-Consumer Drop Request to the Cooperative via a Uniform Data Transaction within no more than three (3) business days.

3.3 Billing

3.3.1 Unless otherwise agreed, the Cooperative and the AES will separately bill the Member-Consumer for the respective services provided by each. The Member-Consumer will receive separate bills for services provided and is responsible for making payments to the Cooperative for service provided in accordance with requirements of the Cooperative as set forth in the applicable billing rules and Commission approved tariffs.

3.3.2 The Cooperative may elect to offer a service where it bills the Member-Consumer for services that the Cooperative provides as well as services provided by the AES. If the Cooperative bills for AES charges, the following conditions will apply:

1. The Cooperative and the AES must have entered into a billing agreement that specifies the terms and conditions under which such billing will occur.

2. Any discrepancies in charges collected and remitted will be corrected and reflected in the subsequent billing cycles.

3. Payments received from or on behalf of a Member-Consumer shall be applied in the following order:

   - To the Member-Consumer's past due balance owed the Cooperative,
   - To current balances due the Cooperative,
   - To current balances due the Cooperative for other charges such as facilities or loan agreements, and
   - To the AES for all balances due for services provided.

(Continued on Sheet No. E-1.17)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.16

4. Optional Services (i.e., billing and remittance processing, credit and collections, meter read information, Member-Consumer information, etc.) may be provided by the Cooperative pursuant to terms negotiated with the AES, and shall be offered on a nondiscriminatory basis. Amounts owed to the Cooperative by an AES may be deducted from the AES's Member-Consumer payments received by the Cooperative prior to remittance to the AES.

5. The Cooperative will not pursue collections action for any AES.

3.3.3 Unless otherwise specified by the Cooperative, all payments made to the Cooperative by the AES will be made by electronic funds transfer to the Cooperative's account.

3.4 Terms and Conditions of Service

3.4.1 The AES is responsible for providing Power to be transmitted by the appropriate Transmission Service Provider(s) to the Cooperative's Distribution Point of Receipt. The AES shall meet all obligations necessary to schedule Power to match the Member-Consumer's Load, subject to energy imbalance charges and penalties in accordance with the terms of the OATT of the Transmission Service Provider(s).

3.4.2 Retail Access Service may not commence until metering has been installed as specified in this Tariff as outlined in Section 2.5.

3.4.3 The AES will provide to the Cooperative or the Cooperative's designated recipient daily energy schedules for all services including losses associated with use of the Distribution System. The AES will provide verification that it has arranged for and scheduled transmission service to deliver Energy, the energy schedule has been approved by the Transmission Service Provider(s), and the AES has covered losses on the Transmission System(s).

3.4.4 The AES will pay the Cooperative under applicable tariffs for all applicable ancillary services, emergency energy services, standby and backup services provided by the Cooperative to the AES for the AES's Member-Consumer(s) from the service commencement date to the service termination date.

3.4.5 The Cooperative shall bill the AES for all associated switching fees incurred as a result of Slamming by the AES plus the actual administrative cost incurred for switching a slammed Member-Consumer from one rate service to another.

(Continued on Sheet No. E-1.18)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.17

3.4.6 An AES shall not resell Member-Consumer account information or transfer it to other parties for any other purpose. The Cooperative will only release Member-Consumer data to the Member-Consumer or its authorized representative, which may be the AES.

3.5 Distribution Power Losses

The Alternative Electric Supplier is responsible for replacing losses associated with the delivery of Power to the Member-Consumer's meter. The amount that the AES shall cause to be delivered to the Cooperative's Distribution System will be the amount of Power delivered at the Member-Consumer meter plus an amount to reflect loss factors. For calendar year 2004, the loss factors were:

Secondary Service	7.6%
Primary Service	3.0%
Primary Substation Service	0

Please contact the Cooperative to obtain the applicable loss factors for the current billing period.

(Continued on Sheet No. E-1.19)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.18
4.0 DISPUTE RESOLUTION

4.1 The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs and Member-Consumers.

4.2 The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs or Member-Consumers and their Transmission Service Provider(s). Disputes involving a Transmission Service Provider's OATT shall be resolved using the dispute resolution procedures as described in the OATT.

4.3 In the event the AES has a dispute over the implementation of the Cooperative's Retail Access Service, then the AES shall provide the Cooperative with a statement of the dispute and the proposed resolution to the designated Cooperative contact. Upon receipt of the statement of dispute, the Cooperative shall attempt to resolve the dispute according to the following process:

4.3.1 The Cooperative will investigate the dispute and attempt to resolve the dispute informally in a manner that is satisfactory to both parties within five (5) business days of initial receipt of the statement of dispute.

4.3.2 If the dispute is not resolved in five (5) business days, the parties shall attempt to resolve the dispute by promptly appointing a senior representative of each party to attempt to mutually agree upon a resolution. The two senior representatives shall meet within ten (10) business days. If the two senior representatives cannot reach a resolution within a 30-day period, the dispute may, on demand of either party, be submitted to arbitration as provided in this section.

4.3.3 The dispute, if mutually agreed by the parties, may be submitted for resolution in accordance with the American Arbitration Association ("AAA") commercial arbitration rules. The judgment rendered by the arbitrator may be enforced in any court having jurisdiction of the subject matter and the parties.

4.3.4 The arbitrator may be determined by AAA.

(Continued on Sheet No. E-1.20)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.19

4.3.5 The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties, except as otherwise provided by law. Any award shall specify the manner and extent of the division of the costs between the parties.

4.4 Nothing in this Section shall restrict the rights of any party to seek resolution of the dispute with the appropriate regulatory agency with jurisdiction.

(Continued on Sheet No. E-1.21)

RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.20
5.0 LIABILITY AND EXCLUSIONS

5.1 In no event will the Cooperative or its suppliers be liable under any cause of action relating to the subject matter of this tariff, whether based on contract, warranty, tort (including negligence), strict liability, indemnity or otherwise for any incidental or consequential damages including but not limited to loss of use, interest charges, inability to operate full capacity, lost profits or claims of AESs or Member-Consumers.

5.2 The Cooperative will not be liable to an AES or Member-Consumer for damages caused by interruption of service, voltage or frequency variations, single-phase supply to three-phase lines, reversal of phase rotation, or carrier-current frequencies imposed by the Cooperative for system operations or equipment control, except such as result from the failure of the Cooperative to exercise reasonable care and skill in furnishing the service.

5.3 In no event will Cooperative be liable to an AES or Member-Consumer for loss of revenue or other losses due to meter or calculation errors or malfunctions. The Cooperative's sole obligation and the AES's or Member-Consumer's sole remedy will be for the Cooperative to repair or replace the meter and prepare revised bills as described in Section 2.7.3.

RETAIL ACCESS STANDBY SERVICE
SCHEDULE RASS

Availability

This schedule is available on a best efforts basis only to Member-Consumers of the Cooperative receiving service under the Large General Service Rate-Choice (Schedule LG-C). This is in addition to the Member-Consumer's applicable Choice tariff.

Nature of Service

Service under this schedule is only available on a best efforts basis to the Member-Consumer when an Alternative Electric Supplier (AES) has ceased service to the Member-Consumer. The Member-Consumer may arrange to return to Full Requirements Service by following the procedures detailed in the Cooperative's *Retail Access Service Tariff*, subject to the terms and conditions set forth in said tariff.

Standby Service under this schedule does not include net under- or over- deliveries of Energy that result when Energy is delivered on behalf of a Member-Consumer but deviates from the Member-Consumer's scheduled Energy requirements plus applicable provisions for line losses. Any change in the Member-Consumer's Energy schedule must be reported to the Transmission Service Provider according to the provisions in the applicable Open Access Transmission Tariff (OATT). These charges represent Schedule 4 ancillary services and will be summarized each month with payment to the Member-Consumer or due from the Member-Consumer per the calculation.

Charges for Service

The charges for this service shall be equal to the Cooperative's out-of-pocket cost of standby power delivered to the Member-Consumer, plus a service fee of one-cent ($0.01) per kWh delivered to the Member-Consumer.

The Cooperative's out-of-pocket cost shall be equal to the amount it is billed by its wholesale supplier for Standby Service delivered to the Member-Consumer.

(Continued on Sheet No. E-2.01)

RETAIL ACCESS STANDBY SERVICE
SCHEDULE RASS
(Continued from Sheet No. E-2.00)

Terms of Payment

1. Monthly bills for Standby Service rendered by the Cooperative are due and payable on or before the due date listed on the bill.

2. The above rates are net. A one-time late payment charge of five (5%) percent of the unpaid balance, excluding sales tax, will be assessed on any bill for Standby Service not paid by the due date.

3. The Cooperative will not collect any monies on behalf of any AES, retailer or other third party without a written agreement between the Cooperative, the Member-Consumer and the third party.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member-Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member-Consumer and any third party.

Tax Adjustment

1. Bills shall be increased or decreased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases or decreases.

2. Bills shall be adjusted to offset any new, increased or decreased specific tax or excise imposed by any governmental authority, which increases or decreases the Cooperative's cost of providing electric service.

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