


SERVICE POLICIES



Your Touchstone Energy® Partner 

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SECTION 1 - Purpose

In accordance with the cooperative's objective of providing the best possible service at the lowest possible cost consistent with sound business principles, it is the intent and purpose of the service policies to insure that all members of the cooperative receive uniform and equitable consideration and treatment. Further details may be found in the Fergus Electric Cooperative policy manual for review at the Fergus Electric Cooperative office or at www.ferguselectric.coop.

SECTION 2 - Scope

These service policies are the basis of all oral or written contracts for delivery of electrical energy. They are equally binding on the cooperative and its members. Copies of these service policies shall be available for inspection at all times in the offices of the cooperative, and for distribution to the members.

SECTION 3 - Revisions

These service policies may be revised, amended, or otherwise changed at any time by action of the cooperative's Board of Trustees. These service policies cancel and supersede all previous rules and regulations or service policies.

SECTION 4 - Conflicts

In case of conflict between any provisions of the rate schedules and these service policies, the provisions of the rate schedule shall apply.

SECTION 5 - Application for Membership

An individual, a husband and wife jointly, a partnership or public or private corporations are eligible for a single membership. There is no membership fee.

- a. The applicant agrees that their membership is automatically effective upon compliance by the applicant with all requirements of the rules, regulations, and bylaws of the cooperative as well as applicable law. It is understood that this membership is not transferable.
- b. The applicant, by becoming a member, assumes no personal liability or responsibility for any debts or liabilities of the cooperative, and it is expressly understood that under the law the member's private property cannot be attached for any such debts or liabilities.
- c. The applicant also agrees to pay an electric service fee as required by the rules and regulations of the cooperative; it being expressly

- understood that such fee shall be non-interest bearing and that any portion of said fee not applied to the payment of bills due the cooperative, shall be refunded to the applicant upon termination of service.
- d. Production or use of electric energy on members premises, regardless of the source thereof, by means of facilities, which shall be interconnected with the cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the cooperative.
 - e. The applicant will cause their premises to be wired in accordance with wiring specifications approved by the State of Montana.
 - f. The applicant will comply with and be bound by the provisions of the Articles of Incorporation and bylaws of the cooperative and such rules, regulations, service policies and billing procedures as may from time to time be adopted by the cooperative.
 - g. The applicant, if a landowner, hereby grants to the cooperative, a perpetual easement which shall run with the land, proceeding through applicant's property on a reasonable route, free of charge, for the extension of lines for service for applicants and other members. Said easement is to enable the cooperative to place, construct, operate, repair and maintain on applicant's premises, and in or upon all streets, roads or highways abutting said premises, the cooperative's electric distribution and service lines and appliances and also gives the cooperative the right to cut or trim trees necessary to keep them clear of all parts of the electric system.
 - h. The applicant agrees that all poles, wires and other facilities, including any main service entrance equipment, installed on the premises shall be and remain the property of the cooperative, removable at the option of the cooperative upon termination of service to or on said premises.
 - i. The acceptance of this application by the cooperative shall constitute an agreement between the applicant and the cooperative, subject to the bylaws and policies of the cooperative, and the contract shall continue in force from the date service is made available by the cooperative to the applicant until properly terminated by either party.

SECTION 6 - Application for Service

Each prospective member requesting electric service shall sign the cooperative's standard form of application for membership and for electric service, and supply the cooperative with information relating to load, voltage, phase, the manner in which power will be utilized, and such credit

references as may be requested. Notwithstanding their failure to sign, upon receipt of electric service and payment therefore, the prospective member shall become an active member with all rights and duties of an active member. Large industrial or commercial contracts may be written on a standard or special form, and shall contain such provisions as may be necessary or desirable to protect the interests of both the cooperative and member. The member must apply for applicable state electrical permits.

Due to the magnitude of the load which will be served and the danger of serious financial losses to the cooperative, all loads generating a monthly bill in excess of \$5,000 shall be required to make a deposit equal to two months bill as estimated by the staff of the cooperative or other guarantee as approved by the Board of Trustees before service may be given.

SECTION 7 - Criteria for Credit

New members shall do one of the following:

- a. Have an acceptable credit reference.
- b. Connect new service under an existing member with an acceptable credit history of 12 months.
- c. Make an electric service fee payment according to the current fee charges. The payment will be held for one year or until good credit is established for 12 consecutive months, at which time it may be applied to the members account. If the account is sufficiently large in the sole opinion of the cooperative, the cooperative may retain this fee beyond the 12 months. Existing members must meet the same requirements should they wish to connect any additional points of metering.

SECTION 8 - Schedule of Fees

The following is a list of the types of fees applicable to electric service from the cooperative. All fees are required at the time application for service is made. For the current fee schedule, contact Office Services at (406) 538-3465.

- a. Electric Service Fee
- b. Trip Fee for Specific Job, Service Call, Door Tag for Delinquent Account or to Disconnect Inactive Account
- c. Disconnect Delinquent Account
- d. Certified Disconnect Notice Fee
- e. Transfer Active Account Fee (no fees charged in event of death of spouse)

- f. Reconnect Inactive Account or Delinquent Account Fee
- g. Meter Test Fee
- h. Finance Charge
- i. Convenience Fee for Credit Card Payments
- j. NSF Fee
- k. Security Light Maintenance Fee

The fees and service charges are for each meter, and/or each occurrence. Other charges and fees are applicable in regard to damage to the cooperative's facilities, temporary service or construction service.

SECTION 9 - Rate Schedules

The monthly cost of electric energy used by the members shall be computed from their contract_or published rate schedules. Such rate schedules shall be developed, revised and amended by the cooperative's Board of Trustees from time to time as required. Each rate schedule shall state to which member classification the rate applies, the type of service available under the rate, the cost of the electric energy used under the rate, and the condition under which service will be rendered under the rate.

A specific rate schedule shall apply to each member classification. Each member within a given classification shall pay according to the rate schedule applicable to that classification.

Reclassification of service may be requested by a member for legitimate reasons. Reclassification of service will not be approved by the cooperative for the sole purpose of permitting periodical rate advantages for the individual member making such a request.

The Board of Trustees may develop a specific rate schedule for a member who does not qualify for an existing rate schedule. Such a rate schedule will generally be incorporated in a contract between the member and the cooperative and is effective only for the term of such contract.

SECTION 10 - Connections and Disconnections

Electric utility service is to be connected and disconnected only by authority of a member who has paid the applicable fees to the cooperative. All orders with respect to utility service must be authorized by the member, by an attorney in fact or duly authorized agent. If joint membership, documents may be executed by either party.

SECTION 11 - Resale of Energy

No purchaser of electric energy shall connect the service with that of any other persons, or in any way resell, rebill, or supply any other person or

premises with electric current through the service except when approved by the cooperative and when such resale of energy is to the interest of the membership or segment thereof.

SECTION 12 - Electric Service Fee

An electric service fee is based on two months estimated highest electric billing or the established minimum payment, whichever is greater.

An electric service fee shall be required for the following:

- a. If the account is to be reconnected after disconnection for non-payment;
- b. If an account has an unacceptable payment history with prior service providers;
- c. If the account is sufficiently large or the potential member is not sufficiently credit worthy in the sole opinion of the cooperative, then the cooperative may require an electric service fee in an amount currently determined by cooperative staff (or board if they elect to act). In cases such as this, the electric service fee will be held to protect the cooperative and its members from undue risk of loss. In special instances and upon the sole discretion of the cooperative, the electric service fee may be replaced by a letter of credit, a guarantee, or a certificate of deposit considered sufficient in the circumstances encountered.

If the member pays the electric service fee plus what is owed on the account and maintains a good record for 12 months, the above amount may, at the discretion of the cooperative, be credited to the account.

SECTION 13 - Meter Reading

The cooperative will read, for reasons of economy and/or efficiency, selected residential and commercial meters. The members who read their meters shall have a reading and payment in the office no later than 5:00 p.m. on the 15th day of each month. If a member's meter reading has not been received prior to 5:00 p.m. on the 15th of the current month, the member may be assessed an estimated bill based on the average of prior two months and 12th month consumption.

The cooperative will make periodic meter readings of all meters read by the member in order to verify the records of the cooperative. Any deficiencies found shall be billed to the member by the cooperative at the rate of 25 cents per kilowatt hour. If a meter is found to read less than reported by the member, the reading will be corrected on the cooperative's records, and the member will be so notified.

Any member who continually under-reads, over-reads, or refuses to send in meter readings will be disconnected after being so notified in writing.

SECTION 14 - High Bill Complaints and Meter Tests

Cooperative meters are precise instruments of high accuracy. Inspections and tests are made as required on cooperative meters in order to insure a high standard of accuracy.

If members want a special meter test, they may request one. If the meter is found to register within 2% plus or minus, the member may be billed a meter test fee plus a trip fee.

If the meter is found to exceed the 2% limit plus or minus, the bill will be adjusted accordingly for the preceding six-month period, and no charge will then be made.

SECTION 15 - Business or Personal Checks

Payment is made normally by personal or business check. Any person from whom a dishonored check is received will be assessed an NSF fee (See SECTION 8). The individual will be notified in writing of the dishonored check and of the redemption procedures required. The check must be redeemed at the cooperative's office in cash, money order, certified check, or cashiers check within ten (10) days of the date of notification. Payment must include the handling fee. Upon redemption, the dishonored check will be returned to the individual. If the check is not redeemed within ten (10) days of the date of notification, electric service may be disconnected without further notice to the member. After receiving a 2nd dishonored check, the cooperative will not accept personal or business checks from the member.

Second party or post-dated checks will not be accepted by the cooperative.

Credit card payments are accepted (See SECTION 8).

SECTION 16 - Collection and Disconnect Procedures

Payments and readings for electric service are due upon receipt of the monthly bill and become delinquent at 5:00 p.m. on the 15th of each month. A notice requesting payment and reading will be mailed to each delinquent account with a 1½% finance charge on any unpaid or partially paid account. If the bill remains unpaid after 30 days, the cooperative may then disconnect the service after prior notification and apply any prepayments against the delinquent bill. If the member is in residence when personnel arrive to

disconnect, the full amount due must be paid, plus the electric service fee, or the account will be disconnected. When the service is disconnected for nonpayment, it will not be reconnected until the member pays the amount due, plus the electric service fee, disconnect fee, reconnect fee, trip fee, and any other miscellaneous charges. If the trip to reinstate service is after hours, there will be a minimum after-hours fee plus, all amounts due paid, before service can be reinstated.

SECTION 17 - Tax Adjustment

The amount of any and all revenue, kilowatt hour, or other form of tax imposed by any municipality, state, federal or other governmental taxing body upon the cooperative or upon the property herein, revenue or income of any part of the cooperative, may be apportioned by the Board of Trustees of the cooperative to the locality in which such tax or taxes may be effective and among the various classes of service furnished therein and shall constitute an additional charge to any amounts which may be billed or charged to any member under any rate schedule or special contract. Such taxes shall be collected and administered in a manner as prescribed by the taxing agency.

SECTION 18 - Service Fee

Whenever service has been disconnected for fraudulent use or noncompliance with the service policies, or whenever a service call is necessary to collect an amount, or to disconnect for non-payment, a fee (See SECTION 8) will be charged if a service call is made. If a service call is made during non-scheduled working hours, an additional charge will be made.

SECTION 19 - Refusal or Discontinuance of Service by Cooperative

The cooperative may refuse to connect or may disconnect service for violation of any of its service policies, or for failure to pay appropriate charges when due. The discontinuance of service for any cause does not release the member from any obligation to pay.

The cooperative may also refuse to serve loads of character which are detrimental to the service being rendered to other members.

SECTION 20 - Notice of Trouble

In the event that service is interrupted or not satisfactory or any hazardous condition is known to exist, it shall be the obligation of the member to notify the cooperative of such conditions so the necessary

corrective steps may be taken.

SECTION 21 - Interruption of Service

The cooperative will use reasonable diligence to provide an adequate and uninterrupted supply of electrical energy at normal voltages, but if the supply shall be interrupted without notice for any cause, the cooperative shall not be liable for personal injuries, loss, or damages resulting therefrom, nor will such failure constitute breach of agreement of service.

The cooperative shall have the right to temporarily suspend service for the purpose of making repairs or improvements to the system, but in such cases, when practicable, public notice shall be given and every effort will be made to make such interruptions as short as possible.

SECTION 22 - Member Power Outage

If the service fails, members shall endeavor to determine, prior to notifying the cooperative, if they have blown fuses, tripped breakers, or if the equipment is at fault. If a serviceman is sent out at the member's request, and it is determined that the member's equipment is at fault, a charge of actual costs will be assessed.

SECTION 23 - Curtailment of Service

Should a serious power shortage develop for reasons beyond the control of the cooperative, and should it become mandatory that the cooperative place into effect a curtailment program, the cooperative reserves the right to limit the use of electrical energy to such extent and duration as may become necessary.

SECTION 24 - Types of Services and Voltages

All service shall be alternating current—60 Hertz (Cycles). For single-phase power, the nominal standard services available are 120/240 and 240/480 volts.

For three-phase power, the nominal standard services available are 120/208 120/240, 240/480 and 277/480 volts.

Service at other standard secondary voltages may be rendered upon request to, and approval by the cooperative's engineering department. The member shall pay the cost of special equipment required for other than standard voltages, or for the supply of closer voltage regulation than required by standard practice.

Service is also available at the cooperative's standard primary distribution and sub-transmission voltages. The member is responsible for

furnishing, installing, and maintaining all facilities past the point of delivery, including the necessary transformers, and line extensions. The cooperative reserves the right to require the member to furnish a circuit breaker with appropriate protective equipment at the point of delivery.

Motors, up to and including 10 hp rating, may be served at 120/240 volts single phase. Motor loads in excess of 10 hp may be served at numerous phase and voltage configurations.

Members requiring motors in excess of 10 hp must contact the engineering staff to determine appropriate phase and voltage requirements. The cooperative may require the member to install reduced voltage starting equipment in cases where across-the-line starting would result in excessive voltage disturbances on the system.

SECTION 25 - Phase Balance

The cooperative may require that the current taken by each wire of the three-phase service be reasonably balanced.

SECTION 26 - Temporary Service

For temporary service when construction is required, the cooperative's engineering department will be consulted and all fees will be collected for the "up and down" costs plus the cost of materials. The member must obtain the applicable State electrical permits.

SECTION 27 - Construction Service

Construction service will be provided after review by the engineering department.

Payment will be made to the cooperative, in advance of construction, in an amount equal to the calculated unit cost of installing the facilities plus material.

The member must obtain the applicable State electrical permits.

The cooperative may require appropriate guarantees to assure that the financial obligations of the member will be paid.

SECTION 28 - Line Extension Policy

Line extension will be as governed by the policy manual of Fergus Electric Cooperative, Inc. (See board policy manual).

SECTION 29 - Movement of Facilities

In the event that any cooperative electrical facilities are to be moved to a new location for convenience or correction of a hazard caused by the user of the property, it shall be done in accordance with the following. If an

existing line must be moved, the owner or member shall pay, in addition to any other charges, the “up and down” cost of moving the line, plus the cost of materials (See board policy manual).

SECTION 30 - Yard Lights

The cooperative has the option to offer unmetered yard lights to be billed at a monthly rate determined by the engineering department.

SECTION 31 - Multiple Units Including but not Limited to Trailer Courts and Apartments

The cooperative will, under contract, render electric service at normal service voltages to multiple units under the following conditions:

- a. The individual owner will, as soon as possible, make application to, and receive service from, the cooperative. They will become members of the cooperative and will receive service under the cooperative’s existing service policies.
- b. Each individual unit will be served and metered separately by the cooperative under the cooperative’s applicable rates.
- c. All general use tenant facilities, etc., shall be served from one or more meters at the appropriate commercial rate schedule or schedules.
- d. The multiple unit landowner and/or operator’s residence may be served on the same basis as the individual units or from the commercial meters, or one of such meters.
- e. The multiple unit landowner will be responsible for providing interim service, if required, until such time as the cooperative can render regular service. Such service is to be rendered through an existing commercial meter.

SECTION 32 - Additional Load

In the event members desire to change their load materially, they shall notify the cooperative sufficiently in advance so that the cooperative may, if economically feasible, provide the facilities required. In the event that the member fails to notify the cooperative, and as a result the cooperative’s equipment is damaged, the member shall be liable for the cost of such damage.

SECTION 33 - Point of Delivery

The point of delivery is that point at the meter on the member’s premises (or other agreed point) where the cooperative terminates its electrical service conductors and the member’s wires are connected to the

cooperative's conductors. All equipment on the load side shall belong to and be the responsibility of the member, except meters and metering equipment and other equipment provided by the cooperative. It shall be the responsibility of the member or their electrical contractor to advise the cooperative of the service requirements in advance of installing the service entrance equipment and to ascertain that the location is acceptable to the cooperative.

The member shall furnish and install a meter socket or sockets for the installation of the cooperative's metering equipment meeting the State electrical and cooperative requirements.

Meter installments for service other than standard 200 amperes minimum require prior approval of the cooperative's engineering department.

SECTION 34 - Meter Locations

Meters shall be installed on a meter pole or on the outside of buildings or service structures.

Meters shall not be installed in enclosed building or places with difficult access, such as over open pits, moving machinery, hatchways, or in the path of water from eaves, rain spouts, or subject to live steam or corrosive vapors. It shall be the responsibility of the member to maintain a clear space of at least 30 inches in front of the meter.

Meters shall be installed at a height of five to six feet above the ground or platform. In cases where unusual conditions exist, the cooperative shall be consulted prior to installation. New service entrance locations shall be approved by the cooperative prior to installation.

SECTION 35 - Meter Poles

Meter poles will, in general, be furnished by the cooperative. The cooperative owned facilities will terminate at the meter.

SECTION 36 - Member Wiring and Equipment

Immediately beyond the meter, it shall be the member's responsibility to provide suitable protective equipment such as fuses, circuit breakers, and relays. If three-phase equipment is used, it shall be the member's responsibility to protect against phase failure, or under-or-over voltage. The cooperative will take all reasonable precautions to prevent phase failure or abnormal voltage variation but cannot guarantee that such conditions may not occur owing to circumstances beyond its control. The member's wiring

shall be in accordance with applicable wiring codes.

The cooperative reserves the right to refuse or discontinue service to member's equipment or wiring where such equipment is in hazardous condition, or not in conformity with applicable codes and local regulations.

The member shall be solely responsible for the maintenance and safety of wiring and equipment and the cooperative shall not in any way be liable for accidents, or damages occurring to the member or to third parties because of contact with, or failure of, any portion of the member's installation.

SECTION 37 - Right of Access

The cooperative, through its authorized employees, shall have access to its equipment at all times for the purpose of reading meters, testing, repairing, replacing, or removing such equipment. If such equipment is so located that locks must be operated to reach it, the cooperative shall be supplied with keys to such locks or cooperative locks may be installed.

SECTION 38 - Member's Responsibility for Cooperative's Property

It shall be the responsibility of the member to take all reasonable and proper precautions to prevent damage to the cooperative's property on the premises. This shall include, but not be limited to, distribution lines, meters, instruments, transformers, and services installed by, and remaining the property of the cooperative. In the event that the cooperative's property is damaged, the cooperative may collect from the member the cost of repairs and/or replacements.

SECTION 39 - Tampering with Meters and Other Cooperative Facilities

Tampering with meters and other facilities of the cooperative is a violation of its regulations and, more seriously, a criminal offense. To tamper with property of the cooperative falls within prohibitions of Montana law, which provides punishment by fine and jail or prison term dependent on the level of destruction. According to the Montana Code Annotated, theft of cooperative services will result in a fine or a jail term.

SECTION 40 - Statement of Nondiscrimination

Fergus Electric Cooperative, Inc. is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended, and

the rules and regulations of the U.S. Department of Agriculture. In accordance with Federal law and U.S. Department of Agriculture's policy, this organization is prohibited from discriminating on the basis of race, color, national origin, age, or disability. The person responsible for coordinating this noncompliance effort is Scott W. Sweeney. To file a complaint of discrimination, write to: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410, or call (202)720-5964(voice or TDD). USDA is an equal opportunity provider and employer.