

UNION ELECTRIC MEMBERSHIP CORPORATION  
D/B/A UNION POWER COOPERATIVE

SERVICE RULES AND REGULATIONS

Revised: 06/11/2022

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## Introduction

These Service Rules and Regulations are a part of the Service Agreement with Union Electric Membership Corporation (the “Cooperative”). Membership is available to all persons within the service area of the Cooperative on a non-discriminatory basis as set forth in the Bylaws of the Cooperative. This document summarizes the general rules of service, subject to discretionary interpretation by the Cooperative. Fees or charges described in this document are listed in the Schedule of Fees (see Appendix).

Members have the right to vote in selecting the Cooperative’s Board of Directors (“Board”). The Board sets policies that determine how the Cooperative operates. The Board is not involved in day-to-day management, operations, or personnel matters.

The employees and management of the Cooperative take great pride in providing the reliable and affordable service Members have always depended on. It remains the Cooperative’s mission to enhance the quality of life of our Members and the communities we serve by delivering on our promise to provide safe, reliable, electric power and energy services with exceptional value.

Information pertaining to, but not limited to, the Cooperative’s principles, Bylaws, Rate Schedules, reporting of power failure, and statement of non-discrimination can be found on the Cooperative’s website <https://union-power.com>. Any questions regarding this information should be directed to the Cooperative’s headquarters office.

The Cooperative will make a full and prompt investigation of all service complaints. The recommended order for filing of such complaints is defined in Section 503 of these Service Rules and Regulations.

## General Provisions

Within these Service Rules and Regulations, as currently exist or as later amended:

1. Unless otherwise provided, words and phrases used in these Service Rules and Regulations have their customary and ordinary meaning;
2. The singular use of any word includes the plural use, and the plural use of any word includes the singular use;
3. The masculine use of any word includes the feminine and neutral uses, the feminine use of any word includes the masculine and neutral uses, and the neutral use of any word includes the masculine and feminine uses;
4. The present tense of any word includes the past and future tenses, and the future tense of any word includes the present tense; and
5. The words “shall” or “must” indicate a mandatory action or requirement, and the word “may” indicates a permissive action or requirement.

## Defined Terms

These Service Rules and Regulations define certain words and phrases within the body of the document (“Defined Terms”). Defined Terms are:

1. Capitalized and enclosed within parenthesis and quotation marks following or otherwise located within the section of the Defined Term’s definition; and
2. Capitalized when otherwise used in these Service Rules and Regulations.

Additionally, these Service Rules and Regulations contain capitalized terms defined in other Governing Documents. Unless the context requires otherwise, Defined Terms have the meaning specified in the appropriate section of the Governing Document(s) identified as follows:

- Applicant – Bylaws; Section 2.01
- Board – Bylaws; Section 2.02 and Service Rules and Regulations; Introduction
- Bylaws – Bylaws; Section 1.01
- Cooperative – Bylaws; Section 2.01 and Service Rules and Regulations, Introduction
- Defined Terms – Bylaws; Section 1.02 and Service Rules and Regulations; Defined Terms
- Foreign Electricity – Service Rules and Regulations; Section 206
- Governing Documents – Bylaws; Section 2.02
- Member – Bylaws; Section 2.04
- Member in Good Standing – Service Rules and Regulations; Section 102
- Membership Obligations – Bylaws; Section 2.02
- Service Agreement – Service Rules and Regulations; Section 101
- Tampering – Service Rules and Regulations; Section 401

## Locations and Service Hours

Operating hours are between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding major holidays. Routine service work is performed during these hours. Emergency work is performed 24 hours a day, 7 days a week.

HEADQUARTERS  
1525 N. Rocky River Rd.  
Monroe, NC 28110  
(704) 289-3145

DISTRICT OFFICE  
474 S. Main St.  
Oakboro, NC 28129  
(704) 485-3335

**Payment Address:** P.O. Box 63047, Charlotte, NC 28263-3047

Toll free Customer Service: (800) 922-6840

Report an Outage: (800) 794-4423

Website: <https://union-power.com>

Stay connected 24/7 and receive information about outages, services, news and programs offered by visiting the Cooperative's website, or on Social Media; including Facebook, Twitter, and Instagram.

## General Service Rules and Regulations

### 100 - Electric Service Availability

#### 101 - Application for Membership

The Service Agreement (“Service Agreement”) between the Cooperative and its Members will consist of the following Governing Documents:

- Application for Membership;
- Certificate of Incorporation;
- Bylaws;
- Service Rules and Regulations;
- Rate Schedules and riders; and
- Any other applicable rules, regulations or rate classifications.

The application for membership shall be made in writing, on such form, whether paper or electronic, as is provided or accepted by the Cooperative. Upon doing so, the Applicant agrees to purchase electric service from the Cooperative and to be bound by and to comply with all of the other provisions of the Cooperative’s Governing Documents as all the same then exist or may thereafter be adopted, repealed or amended. The obligations embraced by such agreement are considered Member Obligations.

The Cooperative may require the following items to accompany the application for membership:

- Identification and proof of residency;
- Payment of security deposit and fees;
- Payment of contribution in aid of construction;
- Grants of easement and right-of-way; and
- Other supplemental contracts, as required.

A supplemental written contract on a form provided by the Cooperative may be required from any Applicant including, but not limited to, those requiring three-phase service, estimated demand of 50kW or more, service related to load management equipment, outdoor lighting, interconnections with the system, and/or those requests resulting in a contribution in aid of construction.

The Cooperative’s form of application for membership must be completed, signed and submitted to the Cooperative. A non-refundable connection charge, is required.

When two or more rates or riders are available within a class of service, the Cooperative may assist in the selection, but it will be the Member’s responsibility to determine which to select. The Cooperative does not guarantee that each Member will be served under the most favorable rate at all times and will not be responsible for notifying the Member of a more advantageous rate. Refer to the Cooperative’s Rate Schedules for a description of available rates and riders.

No more than one (1) change from one optional rate to another will be allowed within any twelve (12) month period for any Member. When a change is made from one optional

rate to another, within the same class of service, no refund will be made of the difference in charges that may result.

Unmetered Products and Services. When a Member connects service at a location where unmetered products and/or services (including, but not limited to, outdoor lighting, solar facilities, surge arresters, EV chargers, etc.) currently exist, an election must be made regarding activation or continuation of the products and/or services. Changes to any subsequent elections by the same Member within a one hundred twenty (120) day window of an election may result in a service charge. Any existing contract related to unmetered products and/or services may impact a Member's ability to change an election.

## 102 - Security Deposit

Security Deposit requirements vary between residential and commercial accounts. Deposits will be based on the size, type and risk of a business enterprise, the reputation and history of the service location, and/or the credit rating and financial dependability of the Member.

The standard security deposit for a residential account will vary based on the Applicant's credit score and billing history. The standard security deposit for a commercial account is two (2) times the estimated monthly bill for the service location.

A Member in Good Standing ("Member in Good Standing") is a Member who has fulfilled all Membership Obligations for any or all accounts under the Member's name and otherwise meets all of the requirements within the previous twelve (12) months as listed below:

- No more than one (1) delinquent bill;
- No instances of being eligible for disconnection due to non-payment;
- No returned payments (i.e., checks, e-checks, etc.) for insufficient funds; and
- No violations of Tampering, as defined in section 401.

Waiver of Security Deposit. For a residential account, the Cooperative may waive the security deposit for (i) a Member in Good Standing, (ii) a Member with a satisfactory credit score with a credit reporting agency acceptable to the Cooperative, or (iii) a Member that provides a guarantee of payment from another Member in Good Standing. For a commercial account, the Cooperative will accept an irrevocable letter of credit or surety bond from a qualified institution in an amount equal to the security deposit required.

Interest on deposits will accrue monthly at the Federal Deposit Insurance Corporation average national deposit rate. The security deposit for a residential account will automatically be refunded to the Member as a credit on the Member's account after twelve (12) consecutive months of on-time payments. The security deposit for a commercial account will be retained for the life of the account.

Upon termination of service, the Member will receive a refund of the balance of any security deposit, including applicable interest, after being applied to any unpaid balance owed to the Cooperative.

The Cooperative reserves the right to require an additional security deposit at any time.

### 103 - Prepaid Metering

In addition to the rules and regulations included elsewhere in this document, eligible Members electing to participate in the prepaid metering (“PPM”) program must comply with the following terms:

- New Members. New Members electing to enroll in PPM must pay a minimum prepayment for initial service. PPM accounts will be charged according to the current Rate Schedule.
- Existing Members. Existing Members opting to convert their accounts to PPM will have any existing security deposit applied to their account balances or to their PPM accounts. All account balances due at the time of conversion must be paid in full before an account may be converted to PPM unless the Cooperative agrees to enter into a debt management program with an eligible Member.
- Debt Management. Existing Members may be eligible to enroll in a debt management program to assist with any outstanding account balances at the time of conversion to PPM. Once enrolled, a predetermined percentage of each payment made on the PPM account will be applied to the debt.
- Billing. Members with PPM accounts do not receive monthly statements. Daily PPM account activity (account balance, usage, charges, and payments) will be available via telephone, text message, mobile application, and the Cooperative’s website; subject to ordinary delays in deducting charges and fees from the prepaid credit balance.
- Notifications. Mobile applications are available that allow Members to modify their notification settings. The Member is solely responsible for managing and updating their notification settings for PPM accounts. All low balance and disconnect notices will be sent in the manner selected for the account by the Member. Failure to maintain notification settings may result in disconnection of service without notice.
- Disconnection and Minimum Payments for Reconnection. PPM accounts are subject to automated disconnection whenever the Member’s account does not have a credit balance. Any returned payments (i.e., checks, e-checks, etc.) or fees will be charged to the Member’s account. If this causes the credit balance to be exhausted, service will be disconnected. To restore service, the Member must obtain a minimum credit on the account.
- Final Billing. Once an account is disconnected from PPM, a final bill will be generated. Any credit remaining will be refunded to the Member.

### 104 - Additional Service Connections

A Member in Good Standing may have any number of service connections under one membership. The Member may be obligated to pay the applicable security deposit for

each additional service and will be obligated to pay for all electric demand and energy used on each of the Member's premises based on the Cooperative's applicable rates and riders. A Member with more than one account is equally responsible for current payment of all accounts.

#### 105 - Area Coverage and Line Facilities

The Cooperative will collect a contribution in aid of construction for any project where cost recovery from the extension of service is unlikely, or where extraordinary facilities (including, but not limited to, unsuitable or rocky soils, conduits, ditch padding, directional boring, erosion mitigation, grading, landscaping or seeding, extra lengths of trenching and conductors due to service entrance locations, additional trench depth, taller or extra poles, and complex metering or protection devices) are required for service.

Underground facilities installed at the request of the Member in lieu of overhead facilities may require a payment for contribution in aid of construction equal to the difference in cost between overhead and underground service.

The Cooperative does not require a payment for contribution in aid of construction for single-phase underground service drops, except where extraordinary facilities are required.

Incidental service locations (i.e., barns, bins, seasonal agricultural machinery, small shops, greenhouses, wells, electric fences, electric gates, sheds, camper services, etc.) may require a payment for contribution in aid of construction for all estimated costs of construction.

Residential subdivisions of ten (10) lots or more with an average lot size of less than one-half ( $\frac{1}{2}$ ) acre will be installed underground with no payment due for contribution in aid of construction, except where extraordinary facilities are required. Requests to install service to more than fifty (50) lots at one time may be subject to contribution in aid of construction for extraordinary facilities.

#### 106 - Metering Facilities

The Cooperative will choose, provide and install one standard meter. Any non-standard meter agreed to by the Cooperative will be considered an excess facility. Under no circumstances is the Member permitted to install their own meter and/or other metering devices.

The Member is required to provide an approved meter base. All meter bases must be installed on an accessible exterior wall. The center of the meter base should be no less than four (4) feet and no more than six (6) feet above finished grade level. When applying for more than one class of service on the same premises, Members must ensure their wiring allows each class of service to be metered separately.

Any meter base installed inconsistent with the Cooperative's Meter Base Location Specification (available via website or by contacting the office) is considered non-compliant. Non-compliant installations will receive credit for forty (40) feet of service drop; all other costs of installation will be the responsibility of the Member. Additional

per-foot charges may also be billed when it is necessary to trench in rock or for additional conduit required in cases where rock or poor back-fill material exists.

Regardless of ownership of the facilities, the Cooperative will have the right, at its option and at its own expense, to place demand meters, voltmeters, locking devices, or other instruments on the premises of the Member for the purposes of monitoring and maintaining the Member's service.

## 200 - Conditions of Service

### 201 - General Conditions

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

- The Member is compliant with all aspects of the Service Agreement and agrees to be bound by all terms of the Cooperative's Governing Documents.
- The Member agrees to furnish, without cost to the Cooperative, all necessary grants of easement and right-of-way over and on all properties owned by the Member, and in accordance with such reasonable terms and conditions as required for the provision of electric service to the Member.
- The Member agrees to have the site, including all streets, alleys, and driveway entrances, graded to within six (6) inches of final grade and have lot lines established before installation or extension of electric service begins.
- The Member agrees that the Cooperative will have the right of access to the Member's property at no charge to the Cooperative at all times for any purpose necessary or convenient in constructing, operating, or maintaining the system, or serving any Member or premises.
- The Member has paid any previous outstanding debts owed to the Cooperative by the Member and/or by any other party directly benefiting from electric service at the Member's premises.
- The Member agrees that all of their wiring and equipment meets the requirements of the National Electric Code and of the Cooperative, in addition to the specifications of any local authorities having jurisdiction. If requested, the Member must provide the Cooperative proof of inspection that the premises' wiring meets all local and state government standards. Provision of electric service shall not conflict with public authorities.
- The Member has not connected, and agrees not to connect in the future, any motors or other equipment which are not suitable for operation with the character of the service supplied by the Cooperative or which adversely affect the Cooperative's equipment or the service to other Members.
- The Member agrees to be responsible for any additional facilities, protective devices, or corrective equipment necessary to provide adequate service or

prevent interference with service to other Cooperative Members. Such loads include, but are not limited to, those requiring excessive capacity because of large momentary current demands or requiring close voltage regulation.

- The Member agrees to be responsible for notifying the Cooperative of any additions to or changes in the Member's equipment which might affect the quality of service or might increase the Member's demand. The Member is solely responsible for all damages caused by failure to timely notify the Cooperative of such additions or changes.
- The Member agrees that when multi-phase service is furnished, the Member will, at all times, maintain a reasonable balance of load between the phases. Three-phase motors with high-starting or fluctuating currents must be installed in accordance with the Cooperative's Rate Schedule and riders, and these Service Rules and Regulations. The member is responsible for providing loss of phase protection for multi-phase services.

## 202 - Standard Supply Voltages

The Cooperative maintains one system of alternating current at a standard frequency of sixty (60) cycles per second, as set forth by the American National Standards Institute ("ANSI"), that is supplied throughout its system and within prudent utility practices. Momentary variations in frequency of more than five percent (5%), which are not due to the negligence of the Cooperative, shall not be considered a violation.

The Cooperative will determine the voltage, number of phases, and type of metering which will be supplied depending upon available Cooperative facilities and upon the character, size, and location of the load to be served. Members must consult with the Cooperative in writing before proceeding with the purchase or installation of wiring or equipment.

Voltage variations should be consistent with ANSI for utility supply voltage. The standard offering service voltages described below are nominal:

- Single-phase, 3 Wire 120/240 Volts
- Three-phase, 4 Wire 120/208 Volts
- Three-phase, 4 Wire 120/240 Volts
- Three-phase, 4 Wire 277/480 Volts
- Three-phase, 4 Wire 7,200/12,470 Volts

Other supply voltages will be considered on a case-by-case basis.

There is no violation of the voltage standard if voltages outside of the prescribed limits are caused by any of the following:

- Act of God;
- Service interruptions;
- Temporary separation of parts of the system from the main system;

- Infrequent fluctuations of short duration;
- Voltage control for load management purposes;
- Emergency operations; or
- Other causes beyond the control of the Cooperative.

To the extent a Member requires service at a level of less variation, the Cooperative will assist with technical development to ensure power quality. Any additional equipment required to achieve the technical requirements will be at the Member's own expense.

Significant changes to the character or size of the load served as a result of the installation of additional equipment by the Member that result in variations outside the prescribed limits are considered voltage violations and shall be corrected in consultation with the Cooperative at the Member's own expense.

### 203 - Service Interruptions

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

Such causes include, but are not limited to:

- An emergency action due to an adverse condition or disturbance on the system of the Cooperative, or on any other system directly or indirectly interconnected with it;
- An Act of God, or the public enemy, or insurrection, riot, civil disorder, fire, or an order from federal, state, municipal, county or other public authority; or
- Making necessary adjustments to, changes in or repairs on lines, substations, and facilities, and in cases where, in the Cooperative's opinion, the continuance of service to a Members' premises would endanger persons or property.

It is the Member's responsibility to notify the Cooperative immediately of any defect in service or of any trouble or irregularity to the electric supply; including those related to unmetered products and/or services (i.e., outdoor lighting, solar facilities, surge arresters, EV chargers, etc.).

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

### 204 - Right-of-Way Maintenance

The Member will grant right-of-way to the Cooperative. The Cooperative will maintain the right-of-way according to its specifications, with the right to cut, trim and control, through mechanical or chemical means, the growth of trees, limbs and shrubbery located within

the right-of-way and those outside the right-of-way that may interfere with or threaten to endanger the operation or maintenance of the Cooperative's line system.

When trimming right-of-way, the Cooperative will remove, or mulch on-site, debris other than stumps, at its expense from clean and maintained areas - that is, an area which is regularly maintained free of logs, brush, and other vegetation that could interfere with electric service.

Members who observe any obvious hazards, such as fallen trees or limbs on power lines, should report such hazards to the Cooperative.

Risk trees located outside of the Cooperative's right-of-way are the responsibility of the Member. The Member, at their own expense, is responsible for any debris removal required as a result of the Cooperative cutting or removing a risk tree.

Construction in right-of-way zones is strictly prohibited.

#### 205 - Power Factor

The Member will, at all times, maintain a power factor at the point-of-delivery as close to one hundred percent (100%) as practicable. Where the power factor of the Member's load is less than ninety-five percent (95%) lagging or leading at the billing peak, the Cooperative may require the Member to install, at the Member's own expense, equipment to correct the power factor.

Additionally, the Cooperative may adjust the Member's billing demand to reflect a ninety-five percent (95%) lagging or leading power factor at the billing peak.

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

Any electricity used by the Member that is obtained from a source other than the Cooperative, including, but not limited to, power obtained from other power suppliers and customer-owned generators is considered to be from a foreign source ("Foreign Electricity").

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

Where approved interconnected on-site generation is provided by the Member, parallel operation of the Member's generating equipment with the Cooperative's system will not be allowed without express permission of the Cooperative. If such permission is obtained, the Member will install protective devices consistent with applicable industry standards and codes in addition to the Cooperative's interconnection requirements. Standby on-site generation not connected in parallel requires the use of a double throw switch to prevent possible injury to the Cooperative's personnel and equipment by making it impossible for power to feed back into the main line from the emergency generator. The Member shall be liable for any injuries to property or persons resulting from such Member's failure to strictly comply with this provision.

Nothing in these Service Rules and Regulations shall be construed as a restriction against any Member's use of a generator that is operated fully disconnected and appropriately isolated from the Cooperative's system.

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

The Cooperative complies with the Public Utility Regulatory Policies Act of 1978 ("PURPA"), as now exists or may be amended, along with rules and regulations promulgated under PURPA as they relate to qualifying facilities.

The Cooperative will provide interconnection documentation, including procedures and a standard application, to any owner and/or operator of a qualifying facility that desires to interconnect with the Cooperative's system.

In order to establish and maintain interconnection with the Cooperative, the owner and/or operator must comply with all provisions of the interconnection documentation, as well as with all terms of the Cooperative's Governing Documents.

Any contracts for the sale of electric demand and energy from a qualifying facility may involve the Cooperative's generation and transmission provider, North Carolina Electric Membership Corporation ("NCEMC"). All contracts for the sale of electric demand and energy from an Independent Power Producer ("IPP") will involve NCEMC. The Cooperative will assist the qualifying facility or IPP in making initial contact with NCEMC.

#### 208 - Line and Facilities Conversion and Relocation

Upon request of a Member, the Cooperative will, when consistent with prudent utility practice, relocate lines, poles, and other facilities. The Member may be required to pay, in advance, the cost of relocating the facilities and for acquisition of any required and approved additional right-of-way necessary for the relocation.

Upon Member request, where adequate overhead primary facilities exist, the Cooperative may convert the existing overhead primary facilities to underground. The Member may be required to pay, in advance, the cost of converting the facilities.

An existing overhead secondary service drop may be converted to underground, upon Member request. A conversion of service charge is required.

Under most circumstances, the Cooperative will, upon request, raise or lower lines to afford a safe passage for buildings or equipment being moved. Parties making such requests will be required to make a non-refundable, advance payment of the estimated costs to the Cooperative for labor, material and equipment.

#### 209 - Energy Management Assistance

The Cooperative will investigate, render advice and lend assistance needed for all reasonable requests of the Member pertaining to the Member's account, usage, bill, load management equipment, and energy conservation measures.

The Cooperative may conduct on-site energy audits to assist Members in addressing their energy management concerns. Residential accounts are eligible, upon request, for one

(1) energy audit in any 12-month period, at no cost to the Member. A fee will be charged for any subsequent residential energy audit conducted within twelve (12) months and for all commercial energy audits.

## 300 - Billing

### 301 - Responsibility to Read Meter

The Cooperative is responsible for obtaining meter readings. A manual meter reading charge will be billed for each month that a meter must be manually read, if due to no fault of the Cooperative. If, for any reason, a meter is not read, the meter reading and corresponding use for the period will be estimated based on prior usage and other applicable factors.

### 302 - Due Dates and Failure to Pay

The Cooperative generates bills on a periodic basis.

Payments are due no later than the due date specified on the bill (typically twenty-five (25) days after the bill date) and are delinquent if received in the Cooperative's office after such due date. Any amount that becomes delinquent during a billing period is subject to a late payment charge.

If the past due amount is not received in the Cooperative's office prior to the next bill date, the new bill will show the current amount due, any past due amount, and a disconnect notice. Once a disconnect notice has been issued, accounts that are not paid within seven (7) days of the date of notice are subject to disconnect.

If a field service representative visits an account for collection, a service charge will be added to the Member's bill. Field service representatives are authorized to accept payment in the field (check or money order only), of all past due amounts plus applicable security deposit and fees.

If service is disconnected for non-payment of account, a reconnection charge and security deposit, in addition to full payment of all unpaid bills, may be required before service is restored. Converting an account to PPM may be an option to avoid paying a security deposit in order to be reconnected.

Non-receipt of bills or notices does not exempt a Member from payment.

Whenever a field service representative is dispatched to an account location for the purpose of collection or disconnection of a delinquent account, the Cooperative may install an electric meter equipped with remote disconnect capability. The Cooperative reserves the right to install or remove remote disconnect meters at any location, at its sole discretion.

For all service locations that are so equipped, disconnection for nonpayment of account and any subsequent reconnection will be performed via remote disconnection. When a service has been disconnected remotely, all required payments for reconnection must be made via the Cooperative's website, mobile application, in person at the Cooperative's office, at the payment kiosk located at the Cooperative's drive thru, or telephone. The

Cooperative will not dispatch field service representatives to collect payment on an account that was remotely disconnected.

Members may request, in writing, that a copy of any disconnect notice be sent to a specified third party; however, such notice to a specified third party shall not relieve a Member of their responsibility to make payment for service.

### 303 - Multiple Accounts

If a Member has more than one account, the Cooperative reserves the right to apply any payment made by the Member to any of the Member's accounts.

### 304 - Bill in Dispute

Non-receipt of a bill does not exempt a Member from payment. A duplicate bill may be obtained from the Cooperative. Neither a dispute concerning the amount of a bill nor a claim or demand by the Member against the Cooperative will alter the normal requirements for payment. See section 503 for more information on complaint procedures.

### 305 - Methods of Payment

Payments may be made at Cooperative offices or through any authorized collection site. See the Cooperative's website <https://union-power.com> for a complete listing of authorized payment sites which includes the following:

- In person or drive thru – during service hours;
- Deposit box – after service hours;
- Kiosk – at headquarters office;
- Mail (check or money order only);<sup>1</sup>
- Automated payment system – (800) 922-6840
- Website (<https://union-power.com>); or
- Mobile application (download at Google Play or the App Store).

A payment is considered “made” when cash or other negotiable equivalent is in the possession of the Cooperative and posted to the Member's account. Once a payment is posted to an account, it is deemed first to be applied to any outstanding fees or charges, then to any outstanding amounts for electric service billed.

The Cooperative accepts bank draft, cash, debit card, credit card, and check/e-check. Any debit or credit card payment requiring direct assistance by Cooperative personnel may result in a fee.

### 306 - Returned Payments

Any Member in Good Standing, whose payment for service is returned for any reason (i.e., insufficient funds, stop payment, invalid or closed account, etc.) will be notified by

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<sup>1</sup>Payments made by mail should be sent to the correct payment address and must be received by the Cooperative no later than the bill's due date. Any payments rendered by mail in the form of cash will be at the Member's own risk. Members are **strongly** discouraged from making cash payments except in person.

telephone, mail, or e-mail. A returned payment charge will be added to the Member's account balance.

If not a Member in Good Standing at the time a payment is returned, service may be discontinued immediately and without notice. If the Cooperative receives two (2) such returned payments in any 12-month period, the Cooperative may refuse to accept payments from the Member in the form returned.

### 307 - Correction of Billing Errors

A Member may request a meter test. A meter test charge, will be imposed, but will be refunded if the meter is found to be in error in excess of plus or minus two percent (2%).

A report will be supplied to the Member within a reasonable time after the completion of the requested test.

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

Adjustments to a Member's bill due to inaccurate metering equipment, errors in meter reading or billing, will be made promptly. Adjustments will be based on appropriate estimates of usage and/or demand and will be limited to a maximum period of twelve (12) months.

The Cooperative will issue credit when it is in error, and the Member will be expected to pay any appropriate additional charges as billed. Upon request, if circumstances warrant, payments to the Cooperative may be made in a number of installments equal to the same number of periods covered by the adjustment, not to exceed twelve (12) months.

Unmetered Products and Services. The Cooperative may offer optional Rate Schedules for unmetered products and/or services (including, but not limited to, outdoor lighting, solar facilities, surge arresters, EV chargers, etc.). It is the Member's responsibility to timely inform the Cooperative of an election to disconnect any unmetered products and/or services not previously requested or no longer wanted. When notified, the Cooperative will promptly update Member records to reflect the current election; except where a contract exists to the contrary. Any billing for unmetered products and/or services prior to the date of notice, or as a result of a Member's failure to notify the Cooperative of this election, shall not be considered a billing error.

### 308 - Unavoidable Cessation of Service

The Service Agreement will terminate immediately in the event a Member's premises is unintentionally destroyed, resulting in a complete cessation of service.

## 400 - Disconnection and Reconnection of Service

### 401 - Disconnection of Service by Cooperative

After notice has been given and reasonable time to comply has been allowed, service may be disconnected for noncompliance with the Bylaws of the Cooperative, the Service Agreement with the Cooperative, or any applicable federal, state or local laws, regulations

or codes, and for reasons including, but not limited to, nonpayment of bills or refusal of access to the Cooperative's meters or other facilities on the Member's premises.<sup>2</sup>

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

- Discovery of Tampering with meter or load management equipment or diversion of current;
- Discovery of use of power for unlawful or unauthorized reasons;
- By order of public authority;
- Discovery of an electrical condition determined by the Cooperative to be potentially dangerous and imminently hazardous to life or property of the Cooperative or the public;
- For repairs, emergency operations, unavoidable shortages, or interruptions in the Member's supply source;
- Introduction of Foreign Electricity on a Member's premises without the prior written consent of the Cooperative; or
- Any threat against, or intimidation of, Cooperative personnel or contractors.

Tampering is the diversion of current or the unauthorized alteration and/or manipulation of the Cooperative's meter, wires, seals, load management equipment or other apparatus in such a way as to prevent the meter, or other device, from accurately recording the amount of electric service supplied to the Member ("Tampering"). The act of cutting a meter seal by anyone other than Cooperative personnel is unauthorized alteration and is therefore considered Tampering. Tampering fees shall apply, including the cost of any repairs. Tampering is a criminal offense and will be reported to law enforcement authorities.

#### 402 - Disconnection of Service by Member

For disconnection of service, the Member should give a minimum of one (1) business day notice prior to requested disconnection unless a written contract specifies otherwise.

A Member may voluntarily withdraw as a Member in Good Standing from membership by paying all amounts due the Cooperative, resolving any outstanding issues of non-compliance with the Bylaws or these Service Rules and Regulations, and ceasing the use of electric service from the Cooperative. Upon termination of service, the Member will receive a refund of the balance of any security deposit, including applicable interest, after being applied to any unpaid balance owed to the Cooperative.

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<sup>2</sup>Certain protections may exist between the dates of November 1 and March 31 for households that include someone who is disabled or age 65 or older; are unable to pay under an installment plan; and are certified by a local social services agency as eligible to receive assistance under an energy assistance program.

#### 403 - Reconnection of Service by Cooperative

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

- The conditions causing the disconnection are corrected;
- Payment has been made for the cost of repair or replacement of the Cooperative's meter or any other properties, if tampered with or otherwise damaged or destroyed;
- Payment has been made for a security deposit, reconnection and other applicable service charges; and
- The Member has agreed to comply with reasonable requirements to protect the Cooperative against further infractions.

Where the service has been discontinued for non-payment of a bill, unauthorized or illegal use of power, or for Tampering, the Cooperative will have the right to refuse service to the same Member until the infraction is corrected, credit is re-established by the Member and all applicable charges have been paid.

#### 500 - Cooperative and Member Obligations

##### 501 - Approval and the Cooperative's Board Authority

The Cooperative's Board is the governing body and is the final authority for making and revising these Service Rules and Regulations. The Bylaws, Rate Schedules, and these Service Rules and Regulations are on file in the Cooperative's headquarters office and published on its website <https://union-power.com>. Such filing and publishing will constitute official notice to all Members when there are changes.

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

These Service Rules and Regulations, as now exist or amended in the future, will be filed with the North Carolina Rural Electrification Authority and with the North Carolina Utilities Commission.

##### 502 - Responsibility of Members and the Cooperative

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

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

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

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

It is unlawful for any person or organization to install or attach any wire, sign or other material or equipment to any of the Cooperative's poles, conductors, or other fixtures or equipment, without express written consent of the Cooperative.

### 503 - Complaint Procedure

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

- First, call and speak to a customer service representative in an effort to resolve the complaint. Allow reasonable time for investigation, advice, and action. If the results are not satisfactory; then
- File a written complaint with the Cooperative's General Manager, providing information and results from the initial complaint and/or naming the Cooperative personnel who handled the complaint. Allow reasonable time for the General Manager to investigate and take action. If the results are still not satisfactory; then
- File a written complaint with the Cooperative's Board. Allow reasonable time for the Board to schedule the item at a regular meeting and for the Board's decision on the matter to be carried out. If results are still not satisfactory; then
- File a complaint with the North Carolina Rural Electrification Authority in Raleigh, North Carolina, 4321 Mail Service Center, Raleigh, NC 27699-4321, (984) 236-4295. Allow reasonable time for the Authority to investigate and take action.

**FAILURE OF THE COOPERATIVE TO ENFORCE ANY OF THE TERMS OF THESE SERVICE RULES AND REGULATIONS SHALL NOT BE DEEMED AS A WAIVER OF ITS RIGHT TO DO SO.**

## Schedule of Fees

<u>Service Charges</u>	<u>Amount</u>
Connection Charge.....	\$25
Energy Audit Fee	
♦ Commercial.....	cost varies
♦ Residential (1 <sup>st</sup> in 12-months) .....	\$0
♦ Residential (each additional after 1 <sup>st</sup> in 12-months).....	\$150
Field Collection Charge .....	\$25
Interconnection Charge .....	at stated rate per interconnection procedures
Late Payment Charge .....	greater of \$5 or 1.5%
Manual Meter Reading Charge .....	\$75
Meter Test Charge .....	\$75
Payment Assistance Charge .....	\$5
Reconnection Charge	
♦ 8:00 a.m. – 4:00 p.m., M-F, excluding holidays.....	\$50
♦ 4:00 p.m. – 9:00 p.m., M-F, weekends and holidays.....	\$100
Returned Payment Charge.....	\$35
Security Deposit	
♦ Commercial.....	2 times estimated monthly bill
♦ Residential .....	\$175 or \$375
Tampering Fee	
♦ 1 <sup>st</sup> offense .....	\$250 + cost to repair
♦ Each additional offense after 1 <sup>st</sup> .....	\$500 + cost to repair
Trip Charge.....	\$75

Construction Charges

Contribution in Aid of Construction..... at cost

Directional Boring ..... \$14 per foot, per phase

Excess Facilities

♦ Additional conduit, diameter  $\leq 2 \frac{1}{2}$ " ..... \$3 per foot

♦ Additional conduit, diameter  $> 2 \frac{1}{2}$ " ..... at cost

Non-Compliant Meter Base

♦ Single-phase, 4/0 service conductor .....\$7 per excess foot

♦ All other conductors..... at cost

Overhead to Underground Conversions – Existing Construction

♦ Conversion of OH Primary Facilities to UG..... at cost

♦ Conversion of OH Secondary Service to UG..... \$750 minimum + extraordinary cost

Rock Trenching..... at cost

System Damages..... at cost

Underground Primary in Lieu of Overhead – New Construction

♦ Single-phase, 1/0 UG conductor..... \$8 per linear foot

♦ Three-phase, 1/0 UG conductor..... \$13 per linear foot

♦ Single-phase or Three-phase, All other conductors ..... at cost

Prepaid Metering (“PPM”) Standards

PPM Minimum Prepayment ..... \$50

PPM Minimum Credit Balance for Reconnection ..... \$10

PPM Debt Management Payment Application Ratio..... 70% on-account / 30% to debt