

UPPER CUMBERLAND ELECTRIC MEMBERSHIP CORPORATION

SCHEDULE OF RULES AND REGULATIONS

Scope. This schedule of Rules and Regulations is a part of all contracts for receiving electric service from the Cooperative, and applies to all service received from Cooperative, whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of the Cooperative's Schedule of Rates and Charges, shall be kept open to inspection at the offices of the Cooperative.

1. **Application for Service.** Anyone applying for electric service must sign the Cooperative's standard form of application or service contract before receiving electric service.
2. **Deposit.** A deposit in accordance with Cooperative's standard policy may be required as described in Policy No 5-13.
3. **Discontinuance of Service by Cooperative.** Service will be discontinued in accordance with Policy No 5-31.
4. **Information to Consumers.** Information to Consumers shall be in accordance with Board Policy 5-18.
5. **Billing.** Customers will be billed monthly in accordance with Cooperative's billing policy as described in Policy No 5-02.
6. **Alternate Payment Date.** The Cooperative shall offer Alternate Payment Dates to Members in accordance with Board Policy No 5-01.
7. **Point of Delivery.** The point of delivery is the location designated by the Cooperative on Customer's premises where electricity will be delivered. All wiring and equipment beyond this point shall be provided and maintained by the Customer at no expense to Cooperative.
8. **Customer's Wiring - Standards.** All of the Customer's wiring must conform to the Cooperative's requirements and those required in the National Electrical Code, and the Tennessee Department of Insurance, Chapter 0780-2-1.
9. **Inspection.** The Cooperative shall have the right, but shall not be obligated, to inspect any installation before or after electricity has been supplied to the customer.

The Cooperative reserves the right to reject any wiring or appliances not in accordance with the Cooperative's standards. Any inspection or failure to inspect or reject shall not cause the Cooperative to be liable or responsible for any of the following: Any loss or damage resulting from defects in the installation, wiring, or appliances, from violation of the Cooperative's rules, or from accidents which may occur upon the customer's premises. The Cooperative recognizes electrical inspections performed by the State of Tennessee Electrical Inspector(s) as being the authorized inspection agency.

10. ***Underground Service Lines.*** Any customer receiving underground electric service from the Cooperative's overhead power lines must bear the cost above that of the installation of overhead electric service. Specifications and terms for such underground electric construction will be furnished by the Cooperative on request.

11. ***Customer's Responsibility for Cooperative's Property.*** All meters, service connections, and other equipment furnished by the Cooperative are and will remain, the property of the Cooperative. The customer shall provide a space for and exercise proper care to protect the property of the Cooperative on its premises. In the event of loss or damage to Cooperative's property arising from the customer's neglect, the cost of the necessary repairs or replacements shall be paid by customer.

12. ***Right of Access.*** The Cooperative's employees shall have access to customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, or exchanging any or all equipment belonging to Cooperative.

13. ***Connection, Reconnection, and Disconnection Charges.*** The Cooperative may establish and collect standard charges to cover the reasonable average cost, including administration, connecting or reconnecting service, as provided above. Higher charges may be established and collected when connections and reconnections are performed after normal office hours, or when special circumstances warrant.

14. ***Termination of Contract by Customer.*** Customers who have fulfilled their contract terms and wish to discontinue service may be required to give at least three (3) days written notice to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve the Customer from any minimum or guaranteed payment under any contract or rate.

15. ***Service Charges for Temporary Service.*** Customers requiring electric service on a temporary basis may be required by the Cooperative to pay all costs for connection and disconnection incidental to the supplying and removing of service. This rule applies to circuses, carnivals, fairs, temporary construction, and the like.

16. ***Interruption of Service.*** The Cooperative will use reasonable diligence in supplying electric power, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from interruptions in service,

excessive or inadequate voltage, single-phasing, or otherwise unsatisfactory service, whether or not caused by negligence.

17. **Shortage of Electricity.** In the event of an emergency or other condition causing a shortage in the amount of electricity for the Cooperative to meet the demand on its system, the Cooperative may, by an allocation method deemed equitable by the Cooperative, fix the amount of electricity to be made available for use by the Customer and/or may otherwise restrict the time during which the Customer may make use of electricity and the uses which the Customer may make of electricity. If such actions become necessary, the Customer may request a variance because of unusual circumstances including matters adversely affecting the public health, safety and welfare. If the Customer fails to comply with such allocation or restriction, the Cooperative may take such remedial actions as it deems appropriate under the circumstances including temporarily disconnecting electric service and charging additional amounts because of the excess use of electricity. The provisions of the Section entitled **Interruption of Service** of this Schedule of Rules and Regulations are applicable to any such allocation or restriction.

18. **Voltage Fluctuations Caused by Customer.** Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to the Cooperative's system. The Cooperative may require the Customer, at his own expense, to install suitable apparatus which will reasonably limit such fluctuations.

19. **Additional Load.** The service connection, transformers, meters and equipment supplied by the Cooperative for each Customer have definite capacity. No addition to the connected equipment or connected load will be allowed except by consent of the Cooperative. Failure to give notice of additions or changes in load, and to obtain Cooperative's consent for same, shall render the Customer liable for any damage to any of Cooperative's lines or equipment caused by the additional or changed installation.

20. **Standby and Resale Service.** All purchased electric service (other than emergency or standby service) used on the premises of the Customer shall be supplied exclusively by the Cooperative. The Customer shall not, directly or indirectly, sell, sublet, assigned, or otherwise dispose of the electric service or any part thereof.

21. **Notice of Trouble.** The Customer shall notify Cooperative immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity.

22. **Non-Standard Service.** The Customer shall pay the cost of any special installation necessary to meet his peculiar requirements for service at other than standard voltages, or for the supply of closer voltage regulations than required by standard practice.

23. **Meter Tests.** The Cooperative will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy. The

Cooperative will make additional tests or inspections of its meters at the request of the Customer. If tests made at the Customer's request shows that the meter is accurate within two percent (2%) slow or fast, no adjustment will be made in the Customer's bill. The Cooperative's standard testing charge will be paid by the Customer. If the test shows the meter to be in excess of two percent (2%) fast or slow, an adjustment shall be made in the Customer's bill over a period not to exceed ninety (90) days prior to the date of such test. The cost of making test shall be borne by the Cooperative.

24. **Relocation of Outdoor Lighting Facilities.** The Cooperative shall, at the request and expense of the Customer, relocate or change existing Cooperative-owned equipment. The Customer shall reimburse the Cooperative for such changes at the actual cost that include appropriate overhead.

25. **Billing Adjusted to Standard Periods.** The demand charges and the blocks in the energy charges set-forth in the rate schedule are based on billing periods of approximately one month. The customer charge and energy charge will be billed prorata for any account with a billing period non-coincident with the billing period for the cycle in which the account is billed.

26. **Residential Energy Service Program.** The Cooperative, in fulfillment of the purposes and provisions of the Tennessee Valley Authority Act and as part of its electric service, may make available funds to eligible electric customers for the energy improvements identified in a survey for the customer's dwelling under the Residential Energy Services program being conducted by the Cooperative and TVA. Eligible customers must sign repayment agreements under which the funds made available will be repaid to the cooperative. Monthly repayment amounts due for this service will be included as part of the electric bills from the cooperative. Except as otherwise agreed in the repayment agreement, the provisions of the section entitled "Billing" of this Schedule of Rules and Regulations shall apply to bills for the amounts made available by the cooperative as part of its electric service for weatherization measures. The cooperative may also make available disbursement to participants to encourage the installation and efficient use of electric appliances and devices in dwellings.

27. **Revisions.** These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.

28. **Conflict.** In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.