



Member Handbook

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Residential and Commercial Services

Bank Draft Payment

Power Your Way (Pre-Pay Program)

Budget Billing

Member Portal

UCEMC Cares, Inc.

Kiosk in Corporate and Cookeville Office

Preface

The items in this Members' Handbook have been assembled for the sole benefit of members and membership applicants of the Upper Cumberland Electric Membership Corporation. It is intended to familiarize them with the cooperative, its by-laws, service rules and programs offered. It is not intended to include all information relative to services provided by the cooperative. Current Revisions are available at www.ucemc.com. Information about relevant service items not covered herein is available upon request by members and applicants for membership. In the event inadvertent errors are made in this book, the original documents will apply.

Statement of Nondiscrimination

Upper Cumberland Electric Membership Corporation is the recipient of federal financial assistance from the Rural Utilities Services, 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 which provide that no person in the United States on the basis of race, color, national origin, age or handicap shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordination of the organization's nondiscrimination compliance efforts is Jennifer Brogdon. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulation listed above from and/or file a written complaint with this organization; or the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250; or the Administrator, Rural Utilities Service, Washington, D.C. 20250. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

UCEMC Offices				
Corporate Office 907 Main Street North Carthage, TN 37030 Mail: PO Box 159 Carthage, TN 37030	Carthage District 138 Gordonsville Hwy Carthage, TN 37030 Mail: PO Box 159 Carthage, TN 37030	Gainesboro District 1085 N Grundy Quarles Hwy Gainesboro, TN 38562 Mail: PO Box 188 Gainesboro, TN 38562	Livingston District 320 Celina Hwy Livingston, TN 38570 Mail: PO Box 222 Livingston, TN 38570	Cookeville District 1794 West Broad St Cookeville, TN 38501 Mail: PO Box 572 Cookeville, TN 38501
Business Hours: Monday – Friday 8:00 AM to 4:30 PM				

1-800-261-2940

One call does it all!

Report outages

Pay your electric bill

Speak to us!

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POWER YOUR WAY

UCEMCCARES



Jennifer Brogdon
GM/CEO

Our Cooperative is governed by a nine-member Board of Directors representing each district we serve.

The Cooperative's policies are set by a nine-member board of directors elected by the members from among themselves at the cooperative-wide elections. A director's term of office is three years. Three members are elected or re-elected to the board each year.

The management of UCEMC is the responsibility of the General Manager who is hired by the Board of Directors. The cooperative has 124 employees.

District 1 (Smith, DeKalb, Macon, and Wilson counties)

- Morris Tyree II - President
- Bradley West - Board Member
- C D (Digger) Poindexter - Board Member

District 2 (Putnam and White counties)

- Rony Myers - Board Member
- Alan Pippin - Secretary / Treasurer
-

District 3 (Overton, Clay, Fentress, and Pickett counties)

- Tim Sells - Board Member
- James West - Vice - President

District 4 (Jackson County)

- Jim Brown – Assistant Secretary/Treasurer
- Steve Spivey – Board Member

Corporate Attorney

- Jamie Winkler – Bellar and Winkler

UPPER CUMBERLAND ELECTRIC MEMBERSHIP CORPORATION OPERATING STATEMENT (Condensed Statement)
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	<u>FY 2023</u>	<u>FY 2022</u>
<u>REVENUE</u>		
Operating Revenue	\$129,315,441.47	\$121,469,668.14
Other Revenue	185,491.74	(687,720.56)
Miscellaneous Income Deduction	(4,000.00)	(10,000.00)
Total Revenue	<u>\$129,496,933.21</u>	<u>\$120,771,947.58</u>

EXPENSES & INCOME DEDUCTIONS

Cost of Power Purchased from TVA	\$94,347,592.38	\$85,633,582.40
Operating Expense	13,416,488.43	13,194,953.87
Maintenance Expense	10,857,640.25	7,495,031.57
Depreciation Expense	8,428,136.49	8,039,613.15
Tax Expense	1,785,151.98	1,742,411.20
Interest Expense	<u>2,679,538.18</u>	<u>2,614,123.91</u>
Total Expense & Income Deductions	<u>\$131,514,547.71</u>	<u>\$118,719,716.10</u>
Total Net Income or Margins from Operations	<u>(\$2,017,614.50)</u>	<u>\$2,052,231.48</u>

OTHER INFORMATION

Total Number of Active Members	52,978	52,270
Total Miles of Distribution Lines	4,734.76	4,716.90
Total KWH Sold During Year	1,036,915,680	1,060,960,485
Times Interest Earned Ratio (TIER) LTD	(1.300)	3.426

Detail Operating Statement Available to Members Upon Request

UPPER CUMBERLAND ELECTRIC MEMBERSHIP CORPORATION BALANCE SHEET (Condensed Statement)
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	<u>FY 2023</u>	<u>FY 2022</u>
<u>ASSETS</u>		
Utility Plant Net	\$172,819,026.75	\$162,720,076.08
Other Property and Investments	1,197,019.00	1,197,019.00
Current and Accrued Assets	32,414,833.17	44,544,130.46
Deferred Debits	264,369.23	450,690.89
Total Assets	<u>\$206,695,248.15</u>	<u>\$208,911,916.43</u>
<u>LIABILITIES AND MEMBER EQUITY</u>		
<u>LIABILITIES</u>		
Long Term Debt	16,645,446.20	17,968,699.37
Current And Accrued Liabilities	29,824,276.81	29,115,761.64
Other Non-Current Liabilities	40,552,955.95	40,139,686.73
Total Liabilities	<u>\$87,022,678.96</u>	<u>\$87,224,147.74</u>
<u>MEMBER EQUITY</u>		
Membership Fees	\$215,795.00	\$213,380.00
Margins (1940-2022)	<u>119,456,774.19</u>	<u>121,474,388.69</u>
Total Member Equity	<u>\$119,672,569.19</u>	<u>\$121,687,768.69</u>
Total Liabilities and Member Equity	<u>\$206,695,248.15</u>	<u>\$208,911,916.43</u>

Detailed Balance Sheet Available to Members Upon Request



- UCEMC is a democratic organization. Each member has one vote at any meeting of the members. The regular Annual Meeting of the Members is held in Smith County, Tennessee, on the second Saturday in September.
- The Cooperative's policies are set by a nine-member board of directors elected by the members from among themselves at the cooperative-wide elections. A director's term of office is three years. Three members are elected or re-elected to the board each year.
- The management of UCEMC is the responsibility of the General Manager, who the Board of Directors hires. Jennifer Brogdon is the GM/CEO of UCEMC.
- The Cooperative has 124 employees.
- The UCEMC corporate office is in Carthage, Tennessee, with district offices in South Carthage, Cookeville, Gainesboro, and Livingston.
- UCEMC is regulated by TVA and the Public Utilities Regulatory Policies Act of 1977 (PURPA). It reports monthly and annually to TVA and is accountable to the RUS. TVA and RUS audit it.
- The bylaws of the cooperative require an annual independent financial audit. Although not regulated by the State of Tennessee nor the Federal Power Commission (FPC), its ad valorem tax is assessed by a state agency, and it does not submit certain information to the FPC.
- UCEMC serves more than 52,900 members and provides service through 4,735 miles of line.

UPPER CUMBERLAND ELECTRIC MEMBERSHIP CORPORATION

Tennessee 25 Jackson

By-Laws Adopted by Members September 8, 1990

Amended September 13, 1997; Amended September 10, 2011; Amended September 8, 2018

Article I Membership

Section 1.01.

Eligibility.

Any natural person, firm, association, corporation, business trust, partnership, federal, state or local government, or departments, agencies or any other political subdivision thereof (each hereinafter referred to as "person," "applicant," "him," or "his") shall be eligible to become a member of, and at one or more premises owned or directly occupied or used by him, to receive electric service from, Upper Cumberland Electric Membership Corporation (hereinafter called the "Cooperative").

Section 1.02.

Application for Membership; Renewal of Prior Application.

Application for membership shall be made in writing on such form as is provided by the cooperative. The applicant shall agree to purchase electric power and energy from the cooperative and to comply with and be bound by the Rural Electric and Community Services Cooperative Act, all provisions of the Cooperative's Articles of Incorporation and By-laws, and all rules, regulations, rate classifications and rate schedules established pursuant thereto, as all the same then exist or may thereafter be adopted or amended (the obligations embraced by such contract being hereinafter called "membership obligation"). With respect to any particular classification of service for which the Board of Directors (hereinafter called "Board") shall require it, such application may be accompanied by a supplemental contract, executed by the applicant on such form as is provided therefore by the cooperative. The membership application shall be accompanied by the membership fee provided for in Section 1.03 (together with any service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction that may be required by the cooperative, hereinafter called "related fees, deposits, or contributions"), which membership fee (related fees, deposits and contributions if required) shall be refunded in the event the application is not approved.

Any former member of the cooperative may, by the sole act of paying a new membership fee and any outstanding account plus accrued interest thereon at the Tennessee legal rate on judgments in effect which such account first became overdue, compounded annually together with any related fees, deposits or contributions if required, renew and reactivate any prior application for membership to the same effect as though the application had been newly made on the date of such payment.

Section 1.03.

Membership Fee; Service Security and Facilities Deposits; Contribution in Aid of Construction.

The membership fee shall be \$5.00. The membership fee (together with any related fees, deposits or contributions if required) shall entitle the member to such connections as may be required. A service connection deposit or fee, in such amount as shall be prescribed by the cooperative (together with related fees, deposits and contributions if required), shall be paid by the member for each additional service connection requested by member. (Amended September 13, 1997)

Section 1.04.

Joint Membership.

A membership issued to either spouse of a marriage is deemed to be held jointly by the two. The words "member," "applicant," "person," "his," as used in these By-laws, shall include a husband and wife applying for or holding a joint membership, unless otherwise clearly distinguished in the text; and all provisions relating to the rights, powers, terms, conditions, obligations, responsibilities and liabilities of membership shall apply equally severally and jointly to them. Without limiting the generality of the foregoing:

- (a) the presence at a meeting of either or both shall constitute the presence of member and a joint waiver of notice of the meeting;
- (b) the vote of either or both shall constitute, respectively, one joint vote;
- (c) notice to, or waiver of notice signed by, either or both shall constitute, respectively, a joint notice of waiver of notice;
- (d) suspension or termination in any manner of either shall constitute suspension or termination of the joint membership; and,
- (e) either, but not both concurrently, shall be eligible to serve as Director of the Cooperative, but only if both meet the eligibility requirements therefore.

Section 1.05.

Acceptance of Membership.

Upon complying with the requirements set forth in Section 1.02, any applicant shall automatically become a member on the date of his connection for electric service, PROVIDED, the Board may by resolution deny an application and refuse to extend service upon its determination that the applicant is not willing or is not able to satisfy and abide by the cooperative's terms and conditions of membership or that such application should be denied for other good cause;

Section 1.06.

Purchase of Electric Power and Energy;

Power Production by Member; Application of Payments to all Accounts.

The cooperative shall use reasonable diligence to furnish its members with adequate and dependable electric service although it cannot and therefore does not guarantee a continuous and uninterrupted supply thereof; and shall not be liable for breach of contract or the loss, injury, or damage to persons or property resulting from interruption in service, excessive or inadequate voltage, single phasing or other unsatisfactory service, whether or not caused by negligence, and each member, for so long as such premises are owned or directly occupied or used by him, shall purchase from the cooperative all central station electric power and energy purchased for use on all premises to which electric service has been furnished by the cooperative pursuant to his membership, unless and except to the extent that the Board may in writing waive such requirement. The member shall pay for such service at the times, and in accordance with the rules, regulations, rate classifications, and rate schedules (including any monthly minimum amount that may be charged without regard to the amount of electric power and energy actually used) established by the Board and, if in effect, in accordance with the provisions of any supplemental contract that may have been entered into as provided for in Section 1.02. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with cooperative facilities, shall be subject to appropriate, regulations as shall be fixed from time to time by the cooperative, or as required by Law.

Each member shall also pay all other amounts owed by him to the cooperative as and when they become due and payable. When the member has more than one service connection from the cooperative, any payment by him for service from the cooperative shall be deemed to be allocated and credited on a pro rata basis to his outstanding accounts for all such service connections, notwithstanding that the cooperative's actual procedures do not reflect such allocation and proration.

Section 1.07.

Excess Payments to be Credited as Member-Furnished Capital.

All amounts paid for electric service in excess of the cost thereof shall be treated as member-furnished capital as provided in Article IX of these By-laws.

Section 1.08.

Wiring of Premises; Responsibility Therefore;

Responsibility for Meter Tampering or Bypassing and for Damage to Cooperative Properties; Extent of Cooperative Responsibility; Indemnification.

Each member shall cause all premises to receive and receiving electric service pursuant to his membership to become and to remain wired in accordance with the specifications of the State of Tennessee, the National Electric Code, any applicable local governmental ordinances, and of the cooperative. If the foregoing specifications are variant, the more exacting standards shall prevail. Each member shall be responsible for such premises and all wiring and apparatuses connected thereto or used thereon, and shall indemnify the cooperative and its employees, agents and independent contractors against death, injury, loss or damage resulting from any defect in or improper use or maintenance thereof.

Each member shall make available without charge to the cooperative a suitable site as determined by the cooperative, whereon to place the cooperative's physical facilities for the furnishing and metering of electric service and shall permit the cooperative's authorized employees, agents and independent contractors to have safe access thereto for meter reading and bill collecting and for inspection, maintenance, replacement, relocation, repair or disconnection of such facilities at all reasonable times. As part of the consideration for such service, each member shall be the cooperative's bailee of such facilities and shall accordingly desist from interfering with, impairing the operation of or causing damage to such facilities, and shall use his best efforts to prevent others from doing so. Each member shall also provide such protective devices to his premises, apparatuses or meter base as the cooperative shall from time to time-require in order to protect the cooperative's physical facilities and their operation and to prevent any interference with or damage to such facilities.

Although the cooperative will use reasonable diligence in supplying electric service, it shall not be liable for breach of contract or in tort in the event of, or for loss, injury or damage to persons or in property resulting from interruptions in service, excessive or inadequate voltage, single phasing, or otherwise unsatisfactory services.

In the event such facilities are interfered with, impaired in their operation or damaged by the member, or by any other person when the member's reasonable care and surveillance should have prevented such, the member shall indemnify the cooperative, and its employees, agents and independent contractors against death, injury, loss or damage resulting therefrom, including but limited to the cooperative's cost of repairing, replacing or relocating any such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its metering equipment. The cooperative shall, however, in accordance with its applicable service rules and regulations, indemnify the member for any overcharges for service that may result from malfunctioning of its metering equipment or any error occurring in the cooperative's billing procedures. In no event shall the responsibility of the cooperative extend beyond the point of delivery and which point of delivery is as determined by the cooperative, nor shall the cooperative be responsible for errors or malfunctioning for a period of over three years from the time of discovery or a lesser time if provided by Law.

Section 1.09.

Member to Grant Easements to Cooperative and to Participate in Required Cooperative Load Management Programs.

Each member shall, upon being requested so to do by the cooperative, execute and deliver to the cooperative, without charge, easements or rights-of-way over, on and under such lands owned or leased by the member, and in accordance with such reasonable terms and conditions, as the cooperative shall require for the furnishing of electric service to him or others or for the construction, operation, maintenance or relocation of the cooperative's electric facilities and for the use of the cooperative's facilities for any other service permitted by law over, on and under all lands owned, leased or otherwise occupied by such member, to the extent of the member's property interest in such land and as permitted by law. Each member shall participate in any required program and comply with related rates and service rule and regulations that may be established by the cooperative to enhance load management, more efficiently to utilize or conserve electric energy or to conduct load research.

(Amended September 8, 2018)

Section 1.10.

Non-liability for Debts of the Cooperative.

The private property of the members of the cooperative shall be exempt from execution for the debts of the cooperative, and no member shall be individually liable or responsible for any debts or liabilities of the cooperative.

Section 1.11.

Change in Premises to be Served.

Any member who moves from one location to another shall be entitled to receive service at his new location if (a) the member notifies the cooperative of his change in location, describing the new premises and the type and approximate amount of service desired therefore, (b) the new location is within the area of service of the cooperative, as determined by the Board, and (c) such member pays a reasonable connection charge, and pays such other charges as may be necessary, the amounts of which shall be determined by the Board.

Article II

Membership Suspension and Termination

Section 2.01.

Suspension; Reinstatement.

Upon his failure, after the expiration of the initial time limit prescribed either in a specific notice to him or in the cooperative's generally publicized applicable rules and regulations, to pay any amounts due the cooperative or to cease any other non-compliance with his membership obligations, a person's membership shall automatically be suspended; and he shall not during such suspension be entitled to receive electric service from the cooperative or to cast a vote at any meeting of the members. Payment of all amounts due the cooperative, including any additional charges required for such reinstatement, and/or cessation of any other noncompliance with his membership obligations within the final time limit provided in such notice or rules and regulations shall automatically reinstate the membership, in which event the member shall thereafter be entitled to receive electric service from the cooperative and to vote at the meetings of its members.

Section 2.02.

Termination by Expulsion; Renewed Membership.

Upon failure of a suspended member to be automatically reinstated to membership, as provided in Section 2.01, he may, without further notice, but only after due hearing, if such is requested by him, be expelled by resolution of the Board at any subsequently held regular or special meeting of the Board. After expulsion of a member, he may not again become a member except upon new application therefore duly approved as provided in Section 1.05; but the Board, acting upon principles of general application in such cases, may establish such additional terms and conditions for renewed membership as it determines to be reasonably necessary to assure the applicant's compliance with all his membership obligations.

Section 2.03.

Termination by Withdrawal or Resignation.

A member may withdraw in good standing from membership upon such generally applicable conditions as the Board shall prescribe and upon, either (a) ceasing to (or, with the approval of the Board resigning his membership in favor of a new applicant who also, shall) own or directly occupy or use all premises being furnished electric service pursuant to his membership, or (b) except when the Board specifically waives such condition, abandoning totally and permanently the use of central station electric service on such premises.

Section 2.04.

Termination by Death or Cessation of Existence;

Continuation of Membership in Surviving Spouse, Remaining or New Partners.

The death of a natural person member shall automatically terminate his membership, EXCEPT, that the surviving spouse of a deceased natural person member shall be eligible to vote and exercise all rights of a member until the surviving spouse's death, at which time the membership shall automatically terminate. The cessation of the legal existence of any other type of member shall automatically terminate such membership; PROVIDED, upon the dissolution for any reason of a partnership, or upon the death, withdrawal or addition of any individual partner, such membership shall continue to be held by such remaining and/or new partner or partners as continue to own directly to occupy or use the premises being furnished electric service pursuant to such membership in the same manner and to the same effect as though such membership had never been held by different partners; PROVIDED FURTHER, neither a withdrawing partner nor his estate shall be released from any debts then due the cooperative.

Section 2.05.

Effect of Termination.

Upon the termination in any manner of a person's membership, he or his estate, as the case may be, shall be entitled to refund of his membership fee (and his service security deposit, if any, theretofore paid the cooperative), less any amounts due the cooperative; but neither he nor his estate, as the case may be, shall be released from any debts or other obligations then remaining due the cooperative. Notwithstanding the suspension or expulsion of a member, as provided in Section 2.01 and 2.02, such suspension or expulsion shall not, unless the Board shall expressly so elect, constitute such release of such person from his membership obligations as to entitle him to purchase from any other person any central station electric power

and energy for use at the premises to which such service has theretofore been furnished by the cooperative pursuant to such membership.

Section 2.06.

Effect of Death, Legal Separation or Divorce upon a Joint Membership.

Upon the death of either spouse of a joint membership, such membership shall continue to be held solely by the survivor, in this same manner and to the same effect as though such membership had never been joint; PROVIDED, the estate of the deceased spouse shall not be released from any debts due the cooperative. Upon legal separation or divorce of the holders of a joint membership, such membership shall continue to be held solely by the one who continues directly to occupy or use the premises covered by such membership in the same manner and to the same effect as though such membership had never been joint; PROVIDED, the other spouse shall not be released from any debts due the cooperative.

Section 2.07.

Termination Other.

Except as provided otherwise herein this Article II, payment of the final bill after the termination of any service shall terminate the membership therefore.

Article III Meetings of Members

Section 3.01.

Annual Meeting.

The annual meeting of the members shall be held each year on the second Saturday in September, or such other date as the board shall fix, at such place in Smith County as the Board shall from year to year fix. It shall be the responsibility of the Board to make adequate plans and preparations for, and to encourage member attendance at the annual meeting. Failure to hold the annual meeting at the designated time and place shall not work a forfeiture or dissolution of the cooperative.

Section 3.02.

Special Meetings.

A special meeting of the members may be called by the Board, by that number of directors that is one (1) less than a majority of the directors in office, or by petition signed by no fewer than ten (10%) percent of the members and filed with the Secretary, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 3.03. Such meeting shall be held at such place in any county in Tennessee within which the cooperative serves, on such date, not sooner than forty (40) days after the call for such meeting is made or a petition therefore is filed, and beginning at such hour as shall be designated by those calling the same.

Section 3.03.

Notice of Member Meetings.

Written or printed notice of the place, date and hour of the meeting and, in the case of a special meeting or of an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes of the meeting shall be delivered to each member, by mail, by the Secretary or his designee (and, in the case of a special meeting, at the direction of those calling the meeting). Any such notice may be included with member service billings or as an integral part of the cooperative's newsletter or given in any other reasonable manner. No matter, the carrying of which, as provided by law, requires the affirmative votes of at least a majority of all the cooperative's members, shall be acted upon at any meeting of the members unless notice of such matter shall have been contained in the notice of the meeting. Such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the cooperative, with postage thereon prepaid and postmarked not later than the minimally required days prior to the meeting date that notice must be given, as follows:

- (1) except as otherwise provided in these By-laws, not less than ninety (90) days prior to the date of a meeting of the members at which the cooperative's dissolution or the sale or lease-sale of all or any substantial portion of its assets and properties devoted to and used or useful in furnishing electric service is scheduled to be considered and acted upon; or
- (2) except as otherwise provided in these By-laws, not less than forty-five (45) days prior to the date of a

meeting of the members of the cooperative at which a merger or consolidation with one or more other cooperatives is scheduled to be considered and acted upon; or
(3) if subdivision (1) or (2) foregoing is not applicable, not less than five (5) days nor more than thirty (30) days prior to the date of the meeting.

The incidental and non-intended failure of any member to receive such notice shall not invalidate any action which may be taken by the members at any such meeting, and the attendance in person of a member at any meeting of the members shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or one or more items of business, on the ground that the meeting shall not have been lawfully called or convened. Any member attending any meeting for the purpose of making such objection shall notify the Secretary prior to or at the beginning of the meeting of his objection.

Section 3.04.

Quorum.

A quorum for the transaction of business at meetings of the members shall, except as provided in the next following sentence, be the lesser to two (2%) percent of all members or one hundred (100) members; and, once such a quorum is established, the meeting may proceed to transact all business that may lawfully come before it so long as at least the lesser of one (1 %) percent of all members or fifty-one (51) members remain present. In the case of a meeting of the members at which the dissolution of the cooperative or the sale or lease-sale of all or any substantial portion of its assets and property devoted to and used or useful in furnishing electric service is scheduled to be considered and acted upon pursuant, the quorum requirement shall be and shall remain through the meeting fifty-one (51 %) percent of all members.

If, at any member meeting, less than the required quorum is present to enable the meeting to begin transacting business, or if the quorum requirement for it to continue ceases to exist, a majority of those present may adjourn the meeting from time to time without further notice; PROVIDED, if a majority of those present in person so resolve, the Secretary shall notify any absent members of the time, day and place of such adjourned meeting by delivering notice thereof as provided in Section 3.03. At all meetings of the members, whether a quorum be present or not, the Secretary shall annex to the meeting minutes, or incorporate therein by reference, a list of those members who were registered as present in person.

Section 3.05.

Voting.

Each member who is not in a status of suspension, as provided for in Article II, Section 2.01, shall be entitled to only one vote upon each matter submitted to a vote at any meeting of the members, regardless of the number of premises at which such member is served by the cooperative. Voting by members, other than members who are natural persons, shall be allowed upon the presentation to the cooperative, prior to or upon registration at each member meeting, of satisfactory evidence entitling the person presenting the same to vote. At all meetings of the members, all questions shall be decided by a majority of the members voting thereon, except as otherwise provided by law or by the cooperative's Articles of Incorporation or these Bylaws.

Members may not cumulate their votes or vote by proxy or mail.

Section 3.06.

Order of Business.

The order of business at the annual meeting of the members and, insofar as practicable or desirable, at all other meetings of the members except for directorate district elections shall be essentially as follows:

- (1) Report on the number of members present in person in order to determine the existence of a quorum;
- (2) Reading of the notice of the meeting and proof of the due giving thereof; or of the waiver or waivers of notice of the meeting, as the case may be;
- (3) Reading of unapproved minutes of previous meetings of the members and the taking necessary action thereon;
- (4) Presentation and consideration of reports of officers, directors and committees;
- (5) Introduction of directors;
- (6) Unfinished business;
- (7) New business; and
- (8) Adjournment.

Notwithstanding the foregoing, the Board or the members themselves may from time to time establish a different order of

business for the purpose of assuring the earlier consideration of and action upon any item of business the transaction of which is necessary or desirable in advance of any other item of business; PROVIDED, no business other than adjournment of the meeting to another time and place may be transacted until and unless the existence of a quorum is first established.

Article IV

Directors

Section 4.01.

Number and General Powers.

The business and affairs of the cooperative shall be managed under the direction of board of nine (9) directors. The Board shall exercise all of the powers of the cooperative except such as are by law or by the Cooperative's Articles of Incorporation or By-laws conferred upon or reserved to the members.

Section 4.02.

Qualifications.

No person shall be eligible to become or remain a director of the cooperative who is not a member of the cooperative and receiving service at his primary residential abode, which abode shall be in the directorate district for which the director is seeking to represent or represents; PROVIDED, the operating or chief executive of any member which is not a natural person, such as a corporation, shall, notwithstanding that he does not receive service from the cooperative at his primary residential abode, be eligible to become a director, from the directorate district in which such member is located, if he (1) is in substantial permanent occupancy, or use of the premises served by the cooperative, and (2) is a permanent and year-round resident within or in close proximity to the district from which he seeks to represent; BUT PROVIDED FURTHER, no more than one (1) such person may serve on the Board at the same time.

No person shall be eligible to become or remain a director of or to hold any other position of trust in the cooperative who:

- (a) is not more than eighteen (18) years of age; or,
- (b) is in any way employed by or financially interested in a competing enterprise; or,
- (c) is in a business selling electric energy or a substantial amount of supplies, products or services to the cooperative; or,
- (d) is in a business engaged in the construction and maintenance; including right-of-way maintenance of distribution lines of the cooperative; or,
- (e) is the incumbent of or candidate for an elective public office in connection with which a salary is paid; or,
- (f) is a close relative of an employee or incumbent director of the cooperative as defined in Section 4.21; or,
- (g) is receiving any salary wages or remuneration of any type from the cooperative except vested benefits earned as an employee and which would not be increased or diminished or otherwise affected by being a director.
- (h) was formerly employed by the cooperative in any capacity on either a full or part-time basis in a period not less than three (3) consecutive years from the annual meeting date next following the director's election.

Any petitioner for candidacy for election to a Board of Directors' position or any petitioner certified by the Credentials Committee for candidacy shall be subject to any equitable policies, rules or standards established by the Board of Directors for conducting any Directorate Election. Any violation or alleged violation of such policy, rule or standard occurring during the election process beginning with any petitioner's receipt of a petition and attachments and ending with the close of polls on Election Day shall be subject to review by the Credentials Committee. If the Credentials Committee finds that such violation occurred, it may disqualify the petitioner for seeking the position or if elected, may disqualify the director-elect for serving.

Notwithstanding any other foregoing provisions of this section dealing with close relative relationships, no incumbent director shall lose eligibility to remain a director or to be reelected as a director of another incumbent director or of a cooperative employee because of a marriage or adoption to which he was not a party nor shall any incumbent director lose eligibility to remain or be reelected as a director if serving at the time of adoption of these By-laws because of such relationship.

Nothing in this Section shall, or be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board unless such action is taken with the respect to a matter which is affected by the provisions of this

section and in which one or more of the directors have an interest adverse to that of the cooperative. (Section 4.02 Amended on September 13, 1997; September 10, 2011; September 8, 2018)

Section 4.03.

Tenure.

Directors shall be elected for a term of three (3) years, except as provided in Article IV; Section 4.15 and 4.16, taking office at the director's meeting immediately following the annual meeting, as provided in Article V, Section 5.01, next following their election.

Upon election, a director shall, subject to the provisions of these By-laws with respect to removal, serve throughout said term of three (3) years, or until a successor is qualified and elected.

Section 4.04.

Directorate Districts.

For the purpose of election of directors, the area served by the cooperative is hereby divided into four (4) directorate districts as follows:

District No. One shall consist of Smith, DeKalb, Wilson and Macon Counties.

District No. Two shall consist of Putnam and White Counties.

District No. Three shall consist of Overton, Clay, Fentress and Pickett Counties.

District No. Four shall consist of Jackson County.

Each district shall be entitled to representation on the Board in accordance with the following:

District Number	Number of Directors
One	3
Two	2
Three	2
Four	2

During years 2011, 2012, 2013, 2014, 2015 and 2016, a process to eliminate the heretofore schedule causing two directors to be elected or re-elected every third year from District One, the last year being 2010, shall advance by extending the term of the director receiving the greater number of votes in District One in 2010 by one year to expire in 2014 and by extending the term of the director elected from District Three in 2011 by two years to expire in 2016 as follows:

2011 - One Director each from Districts Two, Three and Four

2012 - One Director each from Districts One, Two and Three

2013 - One Director each from Districts One and Four

2014 - One Director each from Districts One, Two and Four

2015 - One Director each from Districts One, Two and Three

2016 - One Director each from Districts One, Three and Four

Thereafter the Directorate Election in 2013, directors shall be divided into three (3) groups for the purpose of creating grouped terms according to the foregoing said adjustments. Therefore, beginning with the Directorate Election in 2014, the groups shall be alternated as follows for election to three-year terms:

Group 1 - Commencing 2014 One Director each from Districts One, Two and Four

Group 2 - Commencing 2015 One Director each from Districts One, Two and Three

Group 3 - Commencing 2016 One Director each from Districts One, Three and Four
(Amended September 10, 2011)

Section 4.05.

Notice of Directors to be Elected.

The Secretary of the cooperative or his designee, not less than one hundred twenty (120) days prior to the annual meeting of members, shall give written notice of impending vacancies on the board of directors due to expiring terms of incumbent directors and the districts from which directors will be elected at district directorate elections to fill the impending vacancies. Such notice shall be given by mail with postage thereon prepaid to all members at the billing address reflected on the cooperative's records, or by publication in newspapers of general circulation in the cooperative area. Such notice shall include the places where qualifying petitions and other information as determined by the board may be obtained for the purpose of qualifying as a candidate for a director.

Section 4.06.**Qualifying Petitions.**

In order for a member to become a qualified candidate for election as director, he shall file with the Secretary of the cooperative or with his duly appointed representative a written petition nominating such person as a candidate and signed by him and by not less than fifty (50) other members in good standing whose premises served by the cooperative are located in the directorate district of the candidate. Such other information as the Board, by the policy- of general application, deems necessary or appropriate to determine the eligibility of the candidate shall be filed with the petition. The petition and other information shall be made available at each office of the cooperative and shall be filed with the Secretary or his designee not less than ninety (90) days prior to the annual meeting of members.

Any candidate for director shall be allowed to withdraw as a candidate provided they notify the Credentials Committee in writing forty-five (45) days prior to the election and the Credentials Committee determines' that said written withdrawal is authentic.

Section 4.07.**Credentials Committee.**

The President of the Board shall appoint five (5) members of the cooperative to serve as a Credentials Committee to pass upon the eligibility of a member to become a candidate. This Committee shall be appointed not less than ninety (90) days prior to the annual meeting of members. The Credentials Committee shall meet within ten (10) business days after the deadline for filing qualifying petitions to review the petitions and accompanying documents to determine if a member is a qualified candidate for a director. The Committee shall immediately thereafter notify in writing each and every member who filed a petition of its findings and shall certify to the Secretary of the cooperative those members who qualify as candidates for director. In the exercise of its responsibility, the Committee shall have available to it the advice of counsel provided by the cooperative. Any protest or objection to not being qualified shall be filed with the Committee in writing within three (3) business days next following delivery of the notification of non-eligibility. The Committee shall thereupon be reconvened, upon notice from its chairman, not less than seven (7) business days after such protest or objection is filed. The Committee shall hear such evidence as is presented by the protestors or objectors, who may be heard in person, by counsel, or both, and any opposing evidence; and the Committee, by a vote of a majority of those present and voting, shall immediately after such hearing, render its decision. The Committee may not act on any matter unless a majority of the Committee is present. The Committee's decision on all matters covered by this Section shall be final, subject only to contrary holding by a court, and the report or certificate of its decision shall constitute prima facie evidence of the facts therein.

Section 4.08.**Notice of District Election.**

The Secretary or his designee shall give written notice of the place, the date and hour of any district election and of the name(s) of the qualified candidates to be voted upon for directors thereat. Such notice shall be by mail with postage thereon prepaid, to the members eligible to vote at such election. Such notice shall be mailed to the member at his billing address if he is served by the cooperative at only one premise. If he is served by two (2) or more premises and one (1) is his residential abode, notice shall be mailed to him at such residential abode unless the member shall have requested, in writing, that the notice shall be mailed to him at another address; which request shall be honored. Any eligible member may cast his vote at any one of the Cooperative's election precincts.

Each district election shall be held at some reasonably central locations within the district. Notice of the district elections shall be given not less than five (5) days nor more than thirty (30) before the date of the elections.

On the date of the election, the Election Supervisors shall open polls at the hour specified in the notice. Voting shall be by written ballot or by voting machines or cards. There shall be no nominations from the floor nor shall write-in candidates be permitted.

Elections in all districts polling places shall be held on the same date.
(Amended September 10, 2011)

Section 4.09.

Election Supervisors.

Where there is more than one qualified candidate for any directorship to be filled then not less than forty-five (45) days prior to the annual meeting of members, the Board shall appoint three (3) members in each voting district who are not cooperative employees, agents, officers, directors or candidates for director or close relatives or members of the same household of any of the foregoing, who shall serve as Election supervisors, and shall designate one of such number to act as Chairman.

The Secretary of the cooperative or his designee shall timely give written notice to each of the Election Supervisors of their appointment and furnish the Chairman with a list of names of all eligible voting members residing in the district and the names of all persons who have been qualified as a candidate for director of the cooperative.

Section 4.10.

Election by Directorate Districts.

Directors shall be elected from their respective directorate districts by eligible members of the entire cooperative. District meetings shall be held on the date and at the time and place, and in accordance with such plans and procedures, other than those otherwise provided in these By-laws, as determined by the Board.

Section 4.11.

Contested Elections.

When more than one candidate for election to any same position as director has been qualified, the standard election shall be held in the precinct in each district on the Saturday of the weekend preceding the weekend in which Labor Day occurs, and the polls shall be open for a minimum of eight (8) hours beginning at 7:00 a.m. The Board of Directors may at its discretion hold part of any Directorate Election on not more than parts of two (2) days during the same week as the defined standard day.

The eligibility of members to vote and voting shall be in accordance with the provisions of Article III, Section 3.05 of these By-laws and Section 4.08.

The candidate who receives the greater plurality of the votes cast shall be declared elected. Drawing by lot, when necessary, shall resolve tie votes.

A quorum shall consist of the presence in person of one (1) or more members.
(Amended September 10, 2011)

Section 4.12.

Registration, Protest and Certification.

It shall be the responsibility of the Election Supervisors in a contested election to establish or approve the manner of conducting member registration and to pass upon all questions that may arise with respect to the registration and qualification of members to vote in person, to count all ballots or other votes cast in the election, to rule upon the effect of any ballots or other vote irregularly or indecisively marked or cast, to rule upon all other questions that may arise relating to voting and the election of directors, and to pass upon any protest or objection filed with respect to any aspect of the election or with the declared results thereof. In the exercise of its responsibility, the Committee shall have available to it the advice of counsel provided by the cooperative. Any protest or objection regarding any aspect of the election shall be filed during, or within three (3) business days next, following the close of the election. The Committee shall thereupon be reconvened, upon notice from its Chairman, not less than three (3) business days after such protest(s) or objection(s), is (are) filed. The Committee shall hear such evidence as is presented by the protestor(s) or objector(s), who may be heard in person, by counsel, or both, and any opposing evidence; then the Committee shall by a vote of the majority of those present and voting render its decision immediately. The Committee may not act on any matter unless a majority of the Committee is present. The Committee's decision on all matters covered by this section shall be final subject only to a contrary holding by a Court, and the report or certificate of its decision shall constitute prima facie evidence of the facts stated therein.

After all votes have been tabulated by the Committee, the results shall be certified to the Secretary of the cooperative after the close of the polls of the district election or after the Committee has made a decision on any protest or objection duly filed. Ballots shall be impounded by the cooperative and retained for a reasonable period of not less than six (6) months.

Section 4.13.

Uncontested Elections.

Where only one candidate has been qualified in each district, there being no necessity to open the polls, the nominating petition shall constitute a written ballot, waiver of the necessity of holding an election and consent that each member's signature shall constitute a vote for the candidate. No further action shall be necessary for the election of the qualified candidate, who shall thereby be elected a director.

Section 4.14.

Announcement of Results.

At the following annual meeting of members, the Secretary shall announce to the members the names of the incumbent directors and the district which each director represents, and, likewise, shall announce the names of the directors elect and the districts they shall represent.

Section 4.15.

Removal of Directors by Members.

Any member may bring one or more charges against anyone or more directors, alleging acts or omissions adversely affecting the business and affairs of the cooperative and amounting to actionable negligence, malfeasance, misfeasance, fraud or criminal conduct, and may request the removal of such director(s) by reason thereof by filing with the Secretary such charge(s) in writing together with petition, signed by not less than ten (10%) percent of the members of the cooperative eligible to vote for director or directors sought to be removed, which calls for a special member meeting thereon and specifies the place, time and date thereof not less than forty (40) nor more than forty-five (45) days after the filing of such petition. Each page of the petition shall, in the forepart thereof, state the name(s) and addressee(s) of the member(s) filing such charge(s), a verbatim statement of such charge(s) and the name(s) of the director(s) against whom such charge(s) is (are) being made. The petition shall be signed by each member in the same name as he is billed by the cooperative and shall state the signatory's address as the same appears on such billings. Notice of such charge(s), of the director(s) against whom the charge(s) have been made, and of the member(s) filing the charge(s), shall be contained verbatim in the notice of the meeting or separately noticed to the members not less than five (5) days prior to the meeting(s) at which the charge(s) will be acted upon; PROVIDED, the notice shall set forth (by random selection but otherwise in alphabetical order) only twenty (20) of the names and addresses of the charging members if twenty (20) or more members file the same charge(s) against the same director(s).

Such director(s) shall be informed in writing of the charge(s) after they have been validly filed and at least twenty-five (25) days prior to the meeting of the members at which the charge(s) are to be considered, shall have an opportunity at the meeting to be heard in person, by witnesses, by counsel or any combination of such, and to present evidence in respect of the charge(s), and shall be heard last; and the person(s) bringing the charge(s) shall have the same opportunity, but shall be heard first. The question of the removal of such director(s) shall, separately for each if more than one has been charged, be considered, and voted upon at such meeting, and any vacancy created by such removal shall be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations, except that nominations shall be made from the floor; PROVIDED, the questions of the removal of a director shall not be voted upon at all unless some evidence in support of the charge(s) against him shall have been presented during the meeting through oral statements, documents, or otherwise; AND PROVIDED FURTHER, no director shall be so removed from office for the reason that he, in good faith and believing such to be in the best interests of the cooperative and of its present and future members, failed or declined to support, or that he opposed, (1) a proposal to sell or lease-sell all or a substantial portion of the cooperative's assets and properties or to dissolve the cooperative, or (2) a motion to notify the cooperative's members of a proposal received by the cooperative for such a sale, lease-sale or dissolution, or (3) a motion or any other effort to call a meeting of the cooperative's members to consider and act upon a proposal for such a sale, lease-sale or dissolution. A newly elected director shall be eligible as such and shall be from or with respect to the same District as was the director whose office he succeeds, and shall serve out the unexpired portion of the removed director's term.

Section 4.16.

Vacancies.

Subject to the provisions of these By-laws with respect to the removal of directors by members as set forth in Section 4.15, vacancies occurring on the Board shall be filled by the affirmative vote of a majority of the remaining directors, and directors thus elected shall serve until the next annual meeting and until their successors shall have been qualified and elected.

Section 4.17.

Compensation; Expenses, Temporary Services.

Directors shall, as determined by resolution of the Board, receive on a per diem basis a fixed fee, for attending meetings of the Board and, when approved by the Board, for otherwise performing their duties. The fee or fees fixed for otherwise performing their duties need not be the same as the fee fixed for attending meetings of the Board. Directors may also receive advancement or reimbursement of any travel and out-of-pocket expenses actually, necessarily and reasonable incurred in performing their duties.

No close relative of a director shall be employed by the cooperative and no director shall receive compensation for serving the cooperative in any other capacity, unless the employment of such relative or the service of such director is temporary and shall be specifically authorized by a vote of the Board or the members upon determination that such is or was an emergency measure; PROVIDED, an employee shall not lose eligibility to continue in the employment of the cooperative if he becomes a close relative of a director because of a marriage or adoption to which he was not a party nor in any event lose eligibility for the reason that he was a close relative of an incumbent director and already employed by the cooperative at the time of the adoption of this By-law provision.

For a period of not less than three (3) consecutive years from the date on which a Director leaves the cooperative board for any reason, he or she shall be prohibited from applying for or accepting any position of employment within the cooperative. (Amended September 8, 2018)

Section 4.18.

Rules, Regulations, Rate Schedules and Contracts.

The Board shall have power to make, adopt, amend, abolish-and promulgate such rules, regulations; rate classifications, rate schedules, contracts, security deposits and any other types of deposits, payments or charges, including contributions in aid of construction, not inconsistent with law, the cooperative's Articles of Incorporation or Bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the cooperative.

Section 4.19.

Accounting System and Reports.

The Board shall cause to be established and maintained a complete accounting system of the cooperatives financial operations and condition, and shall, after the close of each fiscal year, cause to be made a full, complete and independent audit of the cooperative's accounts, books and records reflecting financial operations during, and financial conditions as of the end of, such year. A summary either written or oral of such audit reports shall be submitted/to the members. The Board may at any regular or special meeting, authorize special audits, complete or partial, at any time and for any specified period of time.

Section 4.20.

Subscription to Cooperative's Newsletter; Subscription to Statewide Publication.

For the purpose of disseminating information devoted to the economical, effective and conservative use of electric energy, the Board shall be empowered, on behalf of and for circulation to the members, to subscribe to or to publish or have published any cooperative newsletter. The annual subscription price for which shall be not less than \$1.00, and which shall be deducted from any funds accruing in favor of such members, so as to reduce such funds in the same manner as would any other expense of the cooperative.

The Board shall also be empowered, on behalf of and for circulation to the members periodically, to subscribe to any statewide or national publication, the annual subscription price for which shall be not less than \$2.30, and which shall be deducted from any funds accruing in favor of such members, so as to reduce such funds in the same manner as would any other expenses of the cooperative.

The Board may change the annual subscription price on any publication to ensure that any second class mail permit is not

revoked or for other valid reason.

Section 4.21.

"Close Relative" Defined.

As used in these By-laws, "close relative" means a person, who, by blood including half kin, step, or by adoption, is either spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the principal or an immediate in-law, as defined: father-in-law – principal's spouse's father; mother-in-law - principal's spouse's mother; brother-in-law – principal's sister's spouse; brother-in-law – principal's spouse's brother; sister-in-law – principal's brother's spouse; sister-in-law – principal's spouse's sister; son-in-law – principal's daughter's spouse; daughter-in-law – principal's son's spouse. PROVIDED, a director serving or re-elected to the cooperative shall not lose eligibility to remain on the board or qualify for re-election if he/she has a specific existing "close relative" relationship as defined herein above at the time of the adoption of this By-Law provision and that specific existing "close relative" relationship remains the only exception of this provision. (Amended September 8, 2018)

Section 4.22.

Effective Date and Termination of Amendments.

From and after the date of adoption of these amendments, these By-laws shall have been effectively amended accordingly, and any change so made by these By-laws shall be in full force and effect until at least the completion of the election of directors at the annual meeting of the members first held in accordance with such changes; PROVIDED, no such change shall be so effectuated as to expand the existing term of an incumbent director or to compel the vacancy of any director's office prior to the time his term would normally expire, unless such director consents thereto in writing.

Article V

Meetings of Directors

Section 5.01.

Regular Meetings.

A regular meeting of the Board shall be held, without notice, immediately after the adjournment of the annual meeting of the members, or as soon thereafter as conveniently may be, at such site as designated by the Board in advance of the annual member meeting. A regular meeting of the Board shall also be held monthly (except the Board may dispense with the monthly meeting held during or before or after the month of the annual meeting), at such date, time and place in any county in Tennessee within which the cooperative serves as the Board shall provide by resolution. Such regular monthly meeting may be held without notice other than such resolution fixing the day, time and place thereof, except when business to be transacted thereat shall require special notice; PROVIDED, any director absent from any meeting of the Board at which such a resolution initially fixes or makes any change in the day, time or place of a regular meeting shall be entitled to receive written notice of such at least five (5) days prior to the next meeting of the Board; AND PROVIDED FURTHER, if a policy therefore is established by the Board, the President may change the day, time or place of a regular monthly meeting for good cause and upon at least five (5) days notice thereof to all directors.

Section 5.02.

Special Meetings.

Special meetings of the Board may be called by Board resolution, by the President, or by any three (3) directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 5.04. The Board, the President, or the directors calling the meeting shall fix the date, time and place for the meeting, which shall be held in any county in Tennessee within which the cooperative serves unless all directors consent to its being held in some other place in Tennessee or elsewhere. Special meetings may also be held via the telephone conference call, without regard to the actual location of the directors at the time of such telephone conference meeting, if all the directors consent thereto.

Section 5.03.

Removal of Directors by Board.

Any director who misses three (3) consecutive meetings or a total of five (5) meetings within a twelve (12) month period shall be subject to removal as a director by the Board. The affected director shall be given written charge, setting forth the reason for his removal, and shall be afforded a hearing and the same rights afforded to him under Article IV, Section 4.15

regarding Removal of Directors by Members.

Section 5.04.

Notice of Directors Meetings.

Written or oral notice of the day, time, place or of the scheduled day and time of a telephone conference call, and purpose(s) of any special meeting of the Board and, when the business to be transacted thereat shall require such, of any regular meeting of the Board, shall be delivered to each director not less than five (5) days prior thereto, either personally or by mail, or at the direction of the Secretary or, upon a default in this duty by the Secretary, by those calling it in the case of special meeting or by any director in the case of a meeting whose day, time and place have already been fixed by Board resolution. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the director at his address as it appears on the records of the cooperative, with first class postage thereon prepaid, and postmarked at least five (5) days prior to the meeting date. The attendance of a director at any meeting of the Board shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or of one or more items of business, on the ground that the meeting shall not have been lawfully called or convened.

Section 5.05.

Quorum.

The presence in person of a majority of the directors in office shall be required for the transaction of business; PROVIDED, a director who has a conflict of interest in a matter to be considered shall not, with respect to that matter, be counted in determining the number of directors in office or present; AND PROVIDED FURTHER, if less than a quorum be present at a meeting, a majority of the directors present may adjourn the meeting from time to time, but shall cause all directors to be duly and timely notified in accordance with Section 5.04 of the day, time and place of such adjourned meeting.

Section 5.06.

Manner of Acting.

The affirmative votes of a majority of the directors in office shall be required to constitute valid action by the Board at any meeting at which quorum is present.

Article VI

Officers-Miscellaneous

Section 6.01.

Number and Title.

The officers of the cooperative shall be a President, Vice President, Secretary and Treasurer, and such other officers as may from time to time be determined by the Board. The offices of Secretary and Treasurer may be held by the same person.

Section 6.02.

Election and Term of Office.

The four officers named in Section 6.01 shall be elected by secret written ballot, annually and without prior nomination, by and from the Board at the first meeting of the Board held after the annual meeting of the members. If the election of such officers shall not be held at such meeting, it shall be held as soon thereafter as conveniently may be. Each such officer shall hold office until the meeting of the Board first held after the next succeeding annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of the By-laws with respect to the removal of directors and to the removal of officers by the Board. The Board may designate and elect any other officers with such title, tenure, responsibilities and authorities, as the Board may from time to time deem advisable.

Section 6.03.

Removal.

Any officer, agent or employee elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the cooperative will thereby be served.

Section 6.04.

Vacancies.

A vacancy in any office elected or appointed by the Board shall be filled by the Board for the unexpired portion of the term.

Section 6.05.

President.

The president shall:

- (a) be the principal executive officer of the Board and shall preside at all meetings of the Board, and, unless determined otherwise by/him, at all meetings of the members;
- (b) sign, with the Secretary, certificates of membership the issue of which shall have been authorized by resolution of the Board, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these By-laws to some other officer or agent of the cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) in general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

Section 6.06.

Vice President.

In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and, when so acting, shall have all the powers of and be subject to all restrictions upon the President; and shall perform such other duties as from time to time may be assigned to him by the Board.

Section 6.07.

Secretary.

The Secretary shall:

- (a) keep, cause to be kept, the minutes of meetings of the members and of the Board in one or more books provided for that purpose;
- (b) see that all notices are duly given in accordance with these By-laws or as required by law;
- (c) be custodian of the corporate records and-of the seal of the cooperative and see that the seal of the cooperative is affixed to all certificates of membership prior to the issue thereof and to all documents the execution of which, on behalf of the cooperative under its seal, is authorized in accordance with the provisions of these By-laws or is required by law;
- (d) keep, or cause to be kept, a register of the name and post office address of each member, which address shall be furnished to the cooperative by such member;
- (e) sign, with the President, certificates of membership the issue of which shall have been authorized by resolution of the Board;
- (f) have general charge of the books of the cooperative in which a record of the members is kept; (g) keep or cause to be kept, on file at all times a complete copy of the cooperative's Articles of Incorporation and By-laws, together with all amendments thereto, which copies shall always be open to the inspection of any member at reasonable times, and, at the expense of the cooperative, furnish a copy of such documents set forth in this paragraph (g) and of all amendments thereto upon request to any member; and
- (h) in general, perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the Board.

Section 6.08.

Treasurer.

The Treasurer shall:

- (a) have charge and custody of and be responsible for all funds and securities of the cooperative;
- (b) receive and give receipts for monies due and payable to the cooperative from any source whatsoever, and deposit or invest all such monies in the name of the cooperative in such bank or banks or in such financial institutions or securities as shall be selected in accordance with the provisions of these Bylaws; and
- (c) in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board.

Section 6.09.

Delegation of Secretary's and Treasurer's Responsibilities.

Notwithstanding the duties, responsibilities and authorities of the Secretary and of the Treasurer hereinbefore provided in Sections 6.07 and 6.08, the Board by resolution may, except as otherwise limited by law, delegate, wholly or in part, the responsibility and authority for, and the regular or routine administration of, One or more of each such officers such duties to one or more agents, other officers or employees of the cooperative who are not directors. To the extent that the Board does so delegate with respect to any such officer, that officer as such shall be released from such duties, responsibilities and authorities.

Section 6.10.

General Manager; Executive Vice President.

The Board may appoint a General Manager, who may be, but who shall not be required to be a member of the cooperative, and who may also be designated Executive Vice President or other such officer by the board. As such officer(s) he shall perform such duties as the Board may from time to time require and shall have such authority as the Board may from time to time vest in him at any regular or special meeting of the board.

Section 6.11.

Bonds.

The Board shall require the Treasurer and any other officer, agent or employee of the cooperative charged with responsibility for the custody of any of its funds or property to give bond in such sum and with such surety as the Board shall determine. The Board in its discretion may also require any other officer, agent or employees of the cooperative to give bond in such amount and with such surety as it shall determine. The costs of all such bonds shall be borne by the cooperative.

Section 6.12.

Compensation; Indemnification.

The compensation, if any, of any officer or agent who is also a director, or close relative of a director, shall be determined as provided in, Article IV, Section 4.17 of these By-laws, and the powers, duties and compensation of any other officers, agents and employees shall be fixed or a plan therefore approved by the board.

The cooperative shall indemnify present and former cooperative directors, officers including the General Manager and other named officer(s), agents and employees against liability and costs-of defending against liability, and shall purchase insurance in reasonable face amounts to cover such indemnification to the fullest extent such insurance is available, to the fullest extent permissible by law, including Sections 4858-301 through 48-58-601 (Section 304 excluded) of the Tennessee Nonprofit Corporation Act, as the same may from time to time be amended.

Section 6.13.

Reports.

The officers of the cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year and showing the condition of the cooperative at the close of such fiscal year.

Section 6.14.

Committees.

The President, subject to Board approval, shall appoint members, and specify the functions of any committees which are deemed necessary to assist the Board in the performance of its duties and responsibilities. In addition to other committees, the President may appoint an Executive Committee which shall have the power and authority to act on behalf of the Board on emergency matters or other specific matters as designated by the Board, all subject to Board ratification, modification or rejection of any action taken, unless third party rights have already vested and would be impaired if modified or rejected.

Article VII

Contracts, Checks and Deposits

Section 7.01.

Contracts.

Except as otherwise provided by law or these By-laws, the Board may authorize any cooperative officer, agent or employee to enter into any contract or execute and deliver any instrument in the name and on behalf of the cooperative, and such authority may be general or confined to specific instances.

Section 7.02.

Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, and all notes, bonds, or other evidence of indebtedness, issued in the name of the cooperative, shall be signed or countersigned by such officer, agent or employee of the cooperative and in such manner as shall from time to time be determined by resolution of the Board.

Section 7.03.

Deposits; Investments.

All funds of the cooperative shall be deposited or invested from time to time to the credit of the cooperative in such bank or banks or in such financial securities or institutions as the Board may select.

Article VIII Membership Certificates

Section 8.01.

Certificate of Membership.

Membership in the cooperative may, if the Board so resolves, be evidenced by a certificate of membership, which shall be in such form and shall contain such provisions as shall be determined by the Board not contrary to, or inconsistent with, the Cooperative's Articles of Incorporation or its By-laws.

Such certificate, if authorized to be issued by the Board, shall be signed by the President and by the Secretary, and the seal shall be affixed thereto; PROVIDED, the seal and the signatures of the President and the Secretary may be imprinted thereon by facsimile.

Section 8.02.

Issue of Membership Certificates.

No membership shall be issued for less than the membership fee fixed by Section 1.03 nor until such membership fee, or any other related fees, deposits or contributions, if required, have been fully paid and contracts and other documents executed as required by the Board.

Section 8.03.

Lost Certificate.

In case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefore upon such terms and such indemnity to the cooperative as the Board may prescribe.

Article IX Non-Profit Operation

Section 9.01.

Interest or Dividends on Capital Prohibited.

The cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the cooperative on any capital furnished by its patrons.

Section 9.02.

Disposition of Revenues; Distribution of Excess.

With respect to the cooperative's furnishing of electric service, the revenues therefrom for any fiscal year, in excess of the amount thereof necessary:

- (1) to defray expenses of the cooperative, including the operation and maintenance of its facilities during such fiscal

year;

- (2) to pay interest and principal obligations of the cooperative coming due in such fiscal year;
- (3) to finance, or to provide a reserve to finance, the construction or acquisition by the cooperative of additional facilities to the extent determined by the Board;
- (4) to provide a reasonable reserve for working capital;
- (5) to provide a reserve for the payment of indebtedness of the cooperative maturing more than one year after the date of the incurrence of such indebtedness in an amount not less than the total of the interest and principal payments in respect thereof required to be made during the next following fiscal year;
- (6) to comply with any covenant or obligation of the cooperative pursuant to any contract it has entered into; and
- (7) to provide a fund for education in cooperation and for the dissemination of information concerning the effective use and conservation of electric power and energy and concerning any other services made available by the cooperative, including, if the Board so authorizes, publication of or subscription to a cooperative newsletter and/or statewide, regional or national publication;

shall be distributed or credited by the cooperative to patrons:

- (A) as patronage refunds prorated in accordance with the patronage of the cooperative by the respective patrons paid for during or with respect to such fiscal year; or
- (B) by way of general reduction of rates or other charges; or
- (C) by any combination of such methods.

Section 9.03.

Use of Contributed Capital.

The primary purpose of the cooperative is to furnish its patrons with electric service at the lowest rates and charges consistent with prudent management and sound economy. Therefore, all amounts received and receivable from the furnishing of electric energy to patrons, members and nonmembers alike, in excess of operating costs and expenses properly chargeable thereto, are at the moment of receipt by the cooperative received with the understanding that they are furnished by the patrons as capital. Capital contributed by the patrons shall be used only for capital purposes, including, without limitation, new electric system construction, the retirement of electric system indebtedness at or prior to maturity, and working capital adequate for all purposes, and for facilitation of general rate reductions.

Section 9.04.

Contract.

The patrons of the cooperative, by dealing with the cooperative, acknowledge that the provisions of this Article of the By-laws shall constitute and be a contract between the cooperative and non-member patrons, and both the cooperative and such patrons are bound by such contract as fully as though each patron had individually signed a separate instrument containing such terms and provisions. The provisions of the Article of the By-laws shall be called to the attention of such patrons by being posted in a conspicuous place in all the cooperative's offices.

Section 9.05.

Patronage Refunds in Connection with Furnishing Other Services or Goods.

In the event that the cooperative should engage in the business of furnishing services or goods other than electric power energy, all amounts received and receivable there from which are in excess of costs and expenses properly chargeable thereto shall, insofar as permitted by law, be prorated annually on a patronage basis and, subject to their prior use for any proper purposes, be returned to those patrons from whom such amounts were obtained pursuant to such method, at such time, on such basis and in such order of priority as the Board shall determine.

Article X Waiver of Notice

Any member or director may waive, in writing, any notice of meetings required to be given by these Bylaws or any notice that may otherwise be legally required, either before or after such notice is required to be given.

Article XI

Disposition and Pledging of Property; Disposition of Surplus Assets on Dissolution

Section 11.01.

Disposition and Pledging of Property.

The cooperative may authorize the sale, lease, lease-sale, disposition, pledging, mortgaging or encumbrancing of all, a substantial portion or any part of its assets and properties as provided by law, including Sections 65-25-113 and 114 of the Tennessee Code Annotated, as the same may from time to time be amended.

Section 11.02.

Distribution of Surplus Assets on Voluntary Dissolution.

Upon the cooperative's voluntary dissolution, any assets remaining after all liabilities or obligations of the cooperative have been satisfied and discharged, or adequate provision therefore has been made, shall be distributed as provided for in Section 65-25-120 (b) (2) of the Tennessee Code Annotated, as the same may from time to time be amended.

Article XII

Fiscal Year

The cooperative's fiscal year shall begin on the first day of the month of July of each year and end on the last day of the month of June following.

Article XIII

Rules of Order

Parliamentary procedure at all meetings of the members, of the Board, of any committee provided for in these By-laws and of any other committee of the members, of the Board which may from time to time be duly established shall be governed by the most recent edition of Robert's Rules of Order, except to the extent such procedure is otherwise determined by law or by the Cooperative's Articles of Incorporation or By-laws. This Article shall be subordinate to any other provision of these By-laws pertaining to the votes required for action by members, directors or committees.

Article XIV

Nepotism

No close relative, as defined in Article IV, Section 4.21, of a director, officer or the manager shall be a paid employee of the cooperative, provided, however, that this Article shall apply only to employees hired after the adoption of these By-laws.

Article XV

By-Law Amendments

Section 15.01.

Power to Amend.

The Cooperative's By-laws may, subject to Section 15.02, be changed (adopted, amended or repealed) by the members only.

Section 15.02.

Procedure for Amending.

A By-law may be changed only if (1) a copy or an accurate summary explanation of the proposed change is contained in or with the notice of the member meeting at which it is to be acted upon; and (2) it is sponsored by the Board or at least fifty (50) members who over their signatures file with the secretary of the cooperative a petition, proposing such change and setting forth with particularity the wording thereof and the time that the change is to become effective, at least forty-five (45)

days prior to the date of the member meeting at which such change is proposed to be acted upon.

PROVIDED FURTHER the Board shall not cause any proposed By-law change to be noticed or acted upon, if it determines that such, if adopted, would be illegal or a legal nullity.

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.

Adopted 01-02-92; Revised 06-20-16; 07-18-18; **Reaffirmed 07-19-23**

BOARD POLICY NO. 5-01 R-2

SUBJECT: Alternate Payment Dates for Consumers

POLICY:

I. OBJECTIVE

To enable eligible residential (RS Class 22) and Small Commercial (GSA-1 Class 40) members to choose a customized due date to pay their electric bills.

II. ELIGIBILITY PROVISIONS

- A. Residential Class (RS) and GSA-1 Members may choose an alternate due date.
- B. Members may only change their due date one time within a twelve (12) month period.
- C. Members must have a zero balance on the day that the due date change is requested.
- D. Members granted an alternate payment date will otherwise be subject to the provisions of Board Policy No. 5-02, Billing and Collection, and other policies relative to billing and collection.
- E. This policy shall be printed in the Cooperative's member handbook and an electronic copy shall be placed on the Cooperative's website with appropriate subsequent summaries of the policy otherwise, the Cooperative will not be obligated to seek eligible members.

RESPONSIBILITY: General Manager

PROCEDURE: Appropriate procedures shall be developed by the General Manager or his designated staff for the administration of this policy.

Revised: 01-03-89; 02-01-89; 01-02-92; 05-29-92; 08-03-92; 09-01-92; 11-08-93; 11-10-03; 03-08-07; 01-21-08; Effective 6-01-08; Revised 04-05-10; 10-26-11; 11-12-12; 08-26-13; 10-21-13; 07-20-15; 09-21-15; Effective 10-01-15; 03-21-18; 04-19-23 Effective 06-01-23; **Revised 01-17-24 Effective 04-01-24**

BOARD POLICY NO. 5-02 R-20

SUBJECT: Billing, Connection, Collection and Reconnection

POLICY:

The Cooperative will collect a non-refundable connection fee from each applicant for each meter installed or read for transfer. The standard connection fee shall be \$50 for a single meter installed during regular Cooperative work hours. Consumers requiring multiple standard meter installations on or at the same building, complex of buildings or on multiple buildings located in close proximity upon the same property and owned or rented by the same member requesting multiple connections, requiring only one trip by a Cooperative employee, shall pay one standard fee for the first meter set plus \$10 per each additional meter installed. Consumers requiring any nonstandard meter installation shall pay the appropriate connection fee plus appropriate aid-in- construction charges, if applicable. Also, refer to Policy No. 5-24, Meter Installations.

Consumers must request meter installations or disconnections no later than the Cooperative workday immediately preceding the requested date for the connection or disconnection. New service or transfers of service shall only be established during the Cooperative's normal business hours.

Electric bills shall be rendered each month fifteen (15) days before the discount date printed on each bill. When any bill is paid on or before the applicable discount date in office, night depository or by mail by 4:30 p.m. daily (online, kiosk and IVR payments by midnight), the Net Amount will be collected. When any bill is paid after the applicable discount date in office, night depository or by mail after 4:30 p.m. (online, kiosk, and IVR after midnight), the Gross Amount will be collected (Net amount plus five (5) percent to be calculated on the first \$1,000 due and one (1) percent on any net amount thereafter), except any member not having had a Gross Amount due during the most immediate previous 12 months shall be granted exemption from one late payment penalty adjustment due to oversight or other extenuating circumstance for each account assigned to the member number and having the same discount date not to exceed one adjustment per account during any 12 consecutive months period. Failure to receive a bill will not release a consumer from payment obligation.

Should bills not be paid by the due date specified on the bill, service may be discontinued as set out in Board Policy 5-31, Termination of Electric Service. The Cooperative may after the due date for any bill, and after having given a second (2nd) written and /or electronic notice which shall include the date of disconnect, contact any consumer by phone or in person to collect any unpaid bill. If the collection effort is not successful, UCEMC may discontinue electric service to the consumer for nonpayment of the bill. Any member requiring a second notice for an unpaid bill shall be automatically charged an administrative fee of two dollars (\$2.00). Consumers desiring to receive

electronic termination notices must enroll in UCEMC's electronic notice program. Failure to receive a second notice will not release a consumer from payment obligation or termination of service.

In addition to the amount of the bill and any applicable deposit fees in accordance with Board Policy 5-13, Deposits, the consumer will be charged a collection fee of \$25 if the bill is paid at the time the collection effort is made.

If payment is not made at the time the collection effort is made and if the electric service is disconnected for nonpayment, a reconnection fee will be added in addition to the \$25 collection fee according to the following schedule:

<u>Normal Business Hours</u>	<u>Collection Fee</u>	<u>Reconnection Fee</u>
8:00 a.m. - 4:00 p.m.	\$25.00	\$100.00
<u>After Hours Service Call</u>	<u>Collection Fee</u>	<u>Reconnection Fee</u>
4:00 p.m. – 10:00 p.m.	\$25.00	\$300.00

If service is disconnected for non-payment, no service shall be restored after 10:00 p.m.

Relative to the aforementioned collection and re-connection fee schedule; any UCEMC member not having paid a Gross Amount due during the most immediate preceding twenty-four (24) months prior to the collection effort or disconnection of service, shall be granted exemption from any/all collection and reconnection fees due to oversight or other extenuating circumstance for each account assigned to the member number, and having the same discount date not to exceed one adjustment stated herein above during any twenty-four (24) consecutive months period.

The Cooperative shall follow the most current guidelines of TVA's Enhanced Security Deposit Program (ESDP), TVA's Deposit Assurance Program (DAP) or TVPPA's Distributor Credit Insurance Program (DIC) in effect relative to Billing, Collections, Disconnects, Reconnects and Notifications for all Cooperative customers meeting the qualifications and requirements of the Upper Cumberland Electric Membership Corporation, the Tennessee Valley Authority and the Tennessee Valley Public Power Association to participate in said Security Deposit Programs.

When final date for payment is on a day UCEMC offices are closed, the next business day will be the final date for payment.

RESPONSIBILITY: General Manager

PROCEDURE: As stated in the preceding policy.

Revised 10-2-87; 2-7-00, 10-13-08; Effective Date 11-01-08; Revised 03-18-13; 11-16-16; 03-15-17; 10-20-21; **12-21-22**

BOARD POLICY NO. 5-07 R-8

SUBJECT: Consumer Payments Returned by Banks or Credit Institutions

POLICY:

The amounts of payments given by consumers to pay electric bills, fees or other debts to the Cooperative and subsequently returned by their banks or credit institutions to the Cooperative will be debited to their accounts. If any returned consumer payment was given to pay one account, a standard charge of \$25.00 shall be added to the account. If any returned consumer payment was given to pay two or more accounts, the standard charge shall be added to one account and \$2.50 or 10 percent of the standard charge, whichever is greater, shall be added to each additional account. Any applicable penalty (ies) for late payment shall be added to each account. Only the amount of the returned check shall be debited to any account(s) for which unsigned checks sent to banks by Cooperative employees are returned by the banks.

Any consumer having a payment returned as described in the preceding paragraph shall be given notice by a standard letter and shall be allowed five (5) UC EMC business days, not including the day the letter is mailed, to make satisfactory payment of the amount of the returned payment and related charges. No additional charges shall be added during the period except any applicable late payment penalties. Such penalties, if not included in the letter, may be billed with the next cycle. If satisfactory payment is not made for any returned consumer payment and related charges during the five (5) days, collection shall proceed in accordance with Board Policy No. 5-02, Billing and Collection, without further notice and without regard to the original Due Date.

If any bank or credit institution acknowledges in writing that any consumer payment was returned due to an error by a bank or credit institution employee or a bank or credit institution agent or was returned due to an error by a Cooperative employee, any returned consumer payment charges and any penalties added due to the return of the consumer payment will be adjusted by the Cooperative. Any UC EMC member not having paid a Gross Amount due per member number during the most immediate preceding twenty-four (24) months as evidenced by UC EMC records, shall be granted exemption for the standard charge for any returned consumer payment given per member account due to oversight or other extenuating circumstance for each account assigned to the member number not to exceed one adjustment per account during any twenty-four (24) consecutive months.

Consumer payments returned for any reason except lack of signature, banking error or UC EMC error shall not be re-deposited. Instead, they must be redeemed by currency cash, money order, cashier's check or other similar negotiable instrument.

The Cooperative will not accept any check, e-check, bank draft or credit/debit card for payment for any service of product per member number and for each account assigned to the member number for a period of one (1) years from the date of the second returned consumer payment per member number and for each account assigned to the member number during any twelve (12) consecutive months. During said 12 months, consumer payments must be made by currency cash, money order, cashier's check or other similar negotiable instrument.

Except, the Cooperative may accept payment for any service of product per member number and for each account assigned to the member number from a previously approved third-party charitable or other tax exempt organization.

RESPONSIBILITY: General Manager.

PROCEDURE: As outlined above and give authority for billing and collection or delegation of such duties to the District Manager.

Revised 06-01-90, 04-11-94, 05-09-94, 08-08-94, 10-17-00, 09-10-01, 4-18-18; Effective 08-01-18; 10-16-19; 10-21-20; 11-18-20; 12-16-20

BOARD POLICY NO. 5-08

CONSUMER LINE EXTENSIONS

The Board of Directors is committed to providing area wide availability of all standard electric power on demand to any consumer of any consumer class meeting membership obligations as set forth by the members in the cooperative's bylaws. It is further committed to providing the quantity of electric power requested by any such applicant meeting such membership obligations at a price consistent with providing such service and of a quality equal to or greater than industry standards. Therefore, the Board sets forth this policy to provide a uniform procedure and charges for providing electric service requiring line extension.

Some construction projects require line extensions to provide electric service to the facility. There are two types of line construction, standard and non-standard, and various power loads. Voltage can range between 120/240 volt single phase to 480 delta, three-phase. Numerous other factors are involved that determine the cost of line extensions. The board is committed to provide a uniform charge and procedure for alternating current, single or three-phase, 60 hertz electric service.

Before you build or construct a facility notify UCEMC. Under Board Policy No. 5-08, Consumer Line Extensions, there may be a need to determine the cost of electric service before construction begins. Because of the length and numerous subjects included in Board Policy No. 5-08, Consumer Line Extension, it is not practical to print in the members' handbook. **This policy is available upon request.**

Revised 08-31-89, 09-01-92, 05-09-94, 09-13-04; 11-14-05; 03-08-07; 09-10-07, 11-10-08, 09-14-09; 12-20-10, 02-28-11; 11-12-12; 08-26-13; 10-21-13; 07-20-15; Effective 10-01-15; **08-19-20**

BOARD POLICY NO. 5-13 R-24

SUBJECT: DEPOSITS

POLICY:

The cooperative's deposit policy is designed to assess the level of credit risk associated with all applications for new or continued service and to establish required deposits at levels considered sufficient to mitigate losses of revenue to the Cooperative.

I. Residential Service Applicants

The technology-based screening tool, Online Utility Exchange, shall be the standard for evaluating the credit risk of any new applicant for residential service and for establishing any required deposit for any new applicant at the point of application or for any existing transferring customer determined by experience to be at significant credit risk level at the time of a request for transfer of service. The applicant and his or her spouse or partner(s), if applicable, (joint membership), shall be screened to determine their identity and credit risk level. In case of a joint membership, the deposit decision shall reflect the greater credit risk of the joint members.

ONLINE UTILITY EXCHANGE screening will provide the following criteria for deposit decision-making:

- 1) Social Security Number (SSN) verification;
- 2) Credit risk level of applicants for initial service or for additional service; and
- 3) Payment experience with other utility providers.

Credit risk levels shall be:

- 1) No credit risk (Online Utility Exchange's green light designation)
- 2) Minimal credit risk (Online Utility Exchange's yellow light designation)
- 3) Substantial credit risk (Online Utility Exchange's red light designation)

Deposit amounts shall be as follows:

- a. Applicants who pose no credit risk will be charged no deposit for each service.
- b. Applicants who pose minimal credit risk will be charged a deposit in an amount equal to eighty percent (80%) of the sum of the highest bill rendered on the account location during the most recent previous twenty four (24) month period,

as noted on the cooperative's billing records, for each service location. If twenty four (24) months of billing history is not available, the cooperative shall base the deposit on the criteria stated herein above for shorter time periods however no calculation shall be made based on billing periods containing less than six (6) months data. For account locations where less than six (6) months billing history exists, the deposit shall be calculated based on criteria for new service locations listed herein below.

- c. Applicants who pose substantial credit risk will be charged a deposit in an amount equal to eighty percent (80%) of the sum of the two highest consecutive monthly bills, based on the location history of the service address, during the most recent previous twenty four (24) month period or, if twenty four (24) months of billing history is not available, the cooperative shall base the deposit on the criteria stated herein above for shorter time periods, however no calculation shall be made based on billing periods containing less than six (6) months data and deposits for such locations shall be based on criteria for new service locations as stated following. In the event of a new service location where no billing history exist, the cooperative's estimated deposit amounts shall be obtained on the basis of UCEMC's Engineering Department load calculations or the best data available.
- d. Any existing customer transferring within the UCEMC area, if their payment history indicates a significant credit risk level, shall be required to have a deposit in an amount equal to eighty percent (80%) of the sum of the two highest consecutive monthly bills, based on the location history of the service address to which the consumer is transferring, during the most recent previous twenty four (24) month period or, if twenty four (24) months of billing history is not available, the cooperative shall base the deposit on the criteria stated herein above for shorter time periods however no calculation shall be made based on billing periods containing less than six (6) months data and deposits for such locations shall be based on criteria for new service locations as stated herein. An existing customer shall be deemed to present a significant credit risk if: (i) the customer has had more than three late payments within the twelve-month period prior to the transfer of accounts; or (ii) the customer has been issued any cut-off notice or has had any check returned for insufficient funds, no account, account closed or other reason.
- e. Any customer whose service was terminated for non-payment, except those meeting the requirements of (f) below, or who has an unpaid utility bill owing to another utility as indicated by the ONLINE Utility Exchange report shall be required to make a deposit in accordance with paragraph "d" herein above.
- f. Any UCEMC residential member not having paid a Gross Amount due during the most immediate preceding twenty-four (24) months as evidenced by UCEMC records, shall be granted exemption for any/all deposits or additional deposits per

member number, not to exceed one adjustment stated herein above during any twenty-four (24) consecutive months period.

- g. Any applicant who refuses to provide their social security number shall be required to make a deposit in accordance with paragraph “d” herein above.
- h. Any applicant who has filed a bankruptcy petition shall be required to make a deposit in accordance with paragraph “d” herein above.
- i. Interest will accrue on cash deposits at an annual rate paralleling local bank rates for investments of like amounts and time periods and will be compounded and paid annually, or at an earlier date if service is terminated. Accrued interest will be applied to the member’s account.

General Requirements:

- 1. Deposits required in situations b, c, d, e, f and g above shall have been paid prior to the time a connect order is issued.
- 2. Deposits are transferable from one service address to another in same name only.
- 3. Upon termination of service, the deposit will be applied against any unpaid bills of the customer’s account, and any remaining balance may be transferred to additional active accounts without sufficient deposit, with any remaining balance returned to the customer.
- 4. “Risk Based Pricing” “In compliance with the Federal Trade Commission and the Fair Credit Reporting Act (FCRA)’s mandate that a consumer who is charged a deposit based upon their credit information be given notification as to where the information was obtained and detailed procedures as to how they might dispute the information; a statement that a consumer report includes information about a consumer’s credit history; the terms offered have been set based on information in the report; the terms may be less favorable than those offered to others with better credit histories; encouragement to check the accuracy of the information in the consumer report; a statement that federal law gives the consumer the right to obtain a copy of their report from the Consumer Reports Agency free for sixty (60) days after receiving notice; and directing consumers to websites of the Federal Trade Commission and Federal Reserve Board for more information about consumer reports. Spanish-speaking applicants may be provided the adverse action letter printed in Spanish.
- 5. The Deposit balance on any account as well as any interest earned by the Deposit amount is subject to review by the member or UC EMC. Upon additional written request by the customer or at the discretion of UC EMC, the deposit requirement may be re-evaluated based on the most recent previous twenty-four (24) months electricity usage based on location history of the service address.

II. General Power Customers

- A. Deposits shall be required of all General Power customers in an amount equal to twice the anticipated highest monthly bill. The cooperative's estimated deposit amounts shall be used for other required General Power customer deposits and such estimates shall be made on the basis of the best data available.

UCEMC personnel shall not energize any facility before the required security deposit is received in satisfactory amount and surety; and furthermore, if any such facility shall have received or continued to receive electric power without UCEMC's knowledge and such shall have been discovered, the electric service shall be disconnected immediately and shall remain disconnected until arrangements have been made to keep UCEMC secure from loss.

- B. The following options will be available to General Power Customers for the payment of security deposits:
1. By posting a bond on a reputable bonding or insurance company at the member/customer's expense, or
 2. By making cash deposit with the cooperative. Such deposit shall earn interest at a rate paralleling rates at local banks for investments of like amounts and time periods.
 3. By posting a commercial letter of credit at the member/consumer's expense and irrevocable except with 90 days' notice to the cooperative.
 4. By participation in the TVA's Deposit Assurance Program (as further discussed below)
 5. By approved bond rating in the case of federal, state or county governments
- C. Commercial and industrial customers will receive refunds of cash security deposits as a credit to their account or by a cooperative check upon settlement of the final bill at termination of service with the exception of members who lack satisfactory security deposits of additional accounts. Any remaining credits upon settlement of the final bill will be transferred in lieu of refunded for any account lacking sufficient deposit. Members shall post and maintain a security deposit in an amount, surety and manner satisfactory to UCEMC prior to any amounts refunded.
- D. Interest will accrue on cash deposits at an annual rate paralleling local bank rates for investments of like amounts and time periods and will be compounded and paid annually, or at an earlier date if service is terminated. Accrued interest will be applied to the member's account.

- E. Customers having a connected load of 250 KW or greater or who have been previously approved by TVA and, after nomination by UCEMC and approval by TVA's insurance carrier, shall be allowed to participate in TVA's Deposit Assurance Program (DAP) in lieu of standard monetary deposits.

Any customer participating in the DAP Program who defaults on payment of any bill owed to UCEMC and who is disconnected for non-payment of said bill shall be subject to the monetary deposits in the amounts required of customers not meeting the requirements to participate in TVA's Deposit Assurance Program before having service re-connected by UCEMC.

Any participant in TVA's Deposit Assurance Program that is subsequently dropped from the Program shall immediately post a security deposit by one of the alternative forms set out above.

Any qualifying General Power customer wishing to participate in TVA's Deposit Assurance Program (DAP) shall be required to pay the appropriate portion of the Deposit Insurance Policy Premium as designated by TVA and amended from time to time by TVA.

- F. All General Power Contracts shall contain the following paragraph or otherwise suitable similar paragraph:

Security Deposit. The customer shall post and maintain a security deposit in an amount, surety and manner satisfactory to UCEMC prior to receiving any power to the facility herein described. The amount of the security deposit will be the estimated usage of power for two months. The Deposit balance on any account as well as any interest earned by the Deposit amount is subject to review by the member or UCEMC. The estimate will be based on electric load provided by the customer or observed by UCEMC, on expected load factor and on the price of power. UCEMC may adjust the amount of security deposit required from time to time to keep the amount consistent with two months billing based on measured usage. Upon additional written request by the member the deposit requirement may be re-evaluated based on the most recent previous twenty-four (24) months electricity usage based on location history of the service address. UCEMC may, upon seven (7) days' notice, terminate service to customer if customer fails to maintain a security deposit as required herein.

III. Construction

- A. A member/customer who requests the construction of unusually costly service facilities may be required to post a security deposit of cash to assure a minimum purchase of electricity over a specified period of time.
- B. This policy may be utilized in lieu of or in connection with aid-in-construction charges assessed under Policy Statement No. 5-08, Consumer Line Extensions.

The terms and conditions negotiated with the customer shall be set forth in writing with acknowledgement of receipt.

- C. Refund of construction deposits will be made only in accordance with the terms of each individual agreement.
- D. Interest will accrue on construction deposits at an annual rate paralleling local bank rates for investments of like amounts and time periods. Interest will be compounded annually and paid or applied at the termination of the contract.

IV. Individual Outdoor Lighting

- A. A deposit shall be made prior to the installation of any individual outdoor light for any members not showing ownership of the property on which or for which the light will be installed.
- B. The deposit amount shall be calculated as follows:
 - 1. Light installed on existing pole = facility charge per month x 12
 - 2. Light requiring the installation of one or more poles = (facility charge per month + pole rental charge) x (36 x number poles required)
 - 3. The deposit amount shall be an amount equally divisible by five. Calculated amounts not equally divisible by five shall be rounded to the next higher number divisible by five.
- C. Members shall forfeit deposits for individual outdoor lights which cease to be billed to them due to their request for termination or due to termination for nonpayment of bills, or for termination for other causes not elected by the Cooperative. Notwithstanding, any member may choose to pay the balance of bills due under contract and have deposit refunded.
- D. Deposits for individual outdoor lights remaining in service for contract terms will be refunded after the expiration of their initial terms. Unless legal requirements and policy provisions stipulate otherwise, forfeited security deposits and interest may be applied to any other debt owed to the Cooperative by a member/customer.

RESPONSIBILITY: General Manager

PROCEDURE: As required to carry out policy.

Revised 09-28-90; 07-20-15; Effective 10-01-15; **Reaffirmed 08-19-20**

BOARD POLICY NO. 5-18 R-1

SUBJECT: Information to Consumers and Others

POLICY:

1. Distributor will make available to customers upon application for service and anytime upon request information on:
 - a. Current service practice policies
 - b. Current rates applicable to such Customer and a written and/or oral explanation of the rate schedule.
 - c. Cooperative Bylaws
2. Names, addresses, billing data and other information relative to consumers of the Cooperative are the property of the Cooperative and shall be handled in a confidential manner. Such information may be released as prescribed following:
 - a. Upon request any consumer will be provided a statement of his/her monthly Kwh consumption for the prior 12 month period without charge. Additional information relative to the consumer's account(s) may be released to the consumer for which an appropriate administrative fee may be charged. The information listed herein above will be provided to any member by completing UC EMC's Records Request form and consenting to its terms and conditions.
 - b. Consumer names, addresses, and billing history may be released as deemed appropriate by the Cooperative's General Manager to TVA, NRECA, TVPPA, TECA or their agents to be used in load research surveys, appliance surveys, power use studies and similar projects.
 - c. Names, addresses, and other consumer data shall be released to federal, and state governments and their subdivisions and agencies upon presentation of proper subpoena or court order authority.
 - d. Any record of any consumer's electric service account may be released to any third party provided such consumer files with the cooperative appropriate written consent to release the information.
3. Consumers shall be notified of the availability of rate schedules, retail rate actions service practice policies, and kWh consumption information by the most practicable combinations of:
 - a. A message printed on power bills
 - b. Public displays in each location where Customers' bills are paid
 - c. Advertisements including information request coupons in local newspapers semiannually
 - d. Public service announcements on radio and television at least quarterly
 - e. Distributor newsletter

- f. UCEMC's website www.ucemc.com
- g. Technological means of communication

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- 4. Any member is entitled to inspect the records described below at a reasonable time and location specified by the Cooperative. The member must give the Cooperative a written request at least five business days before the date on which he or she wishes to inspect.
 - a. Before the member can review the records, the General Manager, or a designated employee, must determine if:
 - (1) The member's demand is made in good faith and for a proper purpose;
 - (2) The member describes with reasonable particularity the purpose and the records the member desires to inspect; and;
 - (3) The records are directly connected with the purpose for which the demand is made.
 - b. The following records are open for inspection provided they do not divulge any financial matters or anything personal pertaining to the privacy of the individual member, director or employee of the Cooperative:
 - (1) Charter
 - (2) Resolutions and policies adopted by the Board of Directors
 - (3) Member Meeting Minutes
 - (4) Board Meeting Minutes
 - (5) Financial Records
 - (a) Annual Independent Audit Report
 - (b) Power Distributors Monthly Report to TVA
 - (c) REA Financial and Statistical Report
 - (6) State of Tennessee Corporation Annual Report to the Secretary of State
 - (7) List of names and addresses of current Board of Directors
 - (8) Records relative to Cooperative elections

RESPONSIBILITY: General Manager

PROCEDURE: As stated herein and as required to administer the policy.

Revised 02-01-88, 09-12-94, 04-01-95, 07-13-98, 10-17-00; **10-24-17**

BOARD POLICY NO. 5-22 R-6

SUBJECT: Member's Wiring, Installation and Inspections

POLICY:

The Cooperative will make service entrance connections and meter any newly wired building or old rewired building having a new approval stamp of any State of Tennessee electrical inspector. The duration of service rendered on the basis of a temporary or rough-in inspection will be determined by applicable regulations of the State of Tennessee.

Without an appropriate inspection and approval, the Cooperative may connect and meter services for applicants who execute "Hold Harmless" agreements designed to relieve the Cooperative of liability for damages resulting from energizing non-State of Tennessee inspection approved services. Such connections will only be made in emergency situations where immediate restoration is necessary, a state inspection cannot be completed and a licensed, certified electrician recommends the service be reconnected.

The Board of Directors hereby adopts the latest revision of the National Electrical Code and rules relative to the code set forth by the General Assembly of the State of Tennessee, with exceptions:

1. Relative to Article 550, Paragraph 550-23 (a) Service entrances for mobile homes shall be mounted on a pole supplied and installed by Upper Cumberland Electric Membership Corporation.
2. Relative to Article 550, Paragraph 550-23 (b) Service entrances for overhead service to any manufactured home shall be mounted on a pole supplied and installed by Upper Cumberland Electric Membership Corporation unless otherwise approved by the state electrical inspector and UCEMC.
3. Relative to Article 230 – Service conductors extending through any roof shall be enclosed in rigid galvanized steel conduit of not less than 2 ½ inches in interior diameter.

RESPONSIBILITY: General Manager

PROCEDURE: As stated above and as may be developed from time to time.

Adopted 07-27-81; Revised 11-10-03; 03-08-07; 04-05-10; 03-26-12; 10-21-13; 07-20-15; Effective 10-01-15; Revised 01-18-17; Effective 03-31-17; Revised 02-21-18; 03-15-23; **01-17-24**

BOARD POLICY NO. 5-31 R-10

SUBJECT: Termination of Electric Service

POLICY:

Upper Cumberland Electric Membership Corporation has established the following guidelines for termination of electric service to assure that fair and equal treatment is available to all members of the Cooperative. These guidelines are subject to change at the discretion of the General Manager whenever such change is deemed necessary for the efficient operation of the System.

A. Disconnects of Electric Service

1. UCCEMC may discontinue electrical service for the violation of the adopted By-Laws, the Schedule of Rules and Regulations or of the Schedule of Rates and Charges. UCCEMC may also discontinue electrical service to the member for the theft of services or the appearance of theft devices or tampering with cooperative equipment on the member's premise, for safety reasons or noncompliance with any federal, state, or local codes /regulations. Electrical services will be discontinued to members with past due accounts except as provided herein this policy below. Payment in full, including late fee and applicable administrative charges, will be required before service is restored. In the event service is discontinued due to safety reasons, code or statute violations or for tampering, an electrical inspection shall be required by a State of Tennessee approved electrical inspector prior to reconnection of electric service. An additional deposit amount may also be required. The termination of service by UCCEMC for any reason stated in this rule does not release the member from the obligation for any amounts due to UCCEMC, including the payment of minimum bills as specified in contracts.

2. Electric bills shall be rendered monthly fifteen (15) days before the due date printed on each bill. If payment is not received by the due date on the bill, UCCEMC may discontinue service a minimum of two (2) days after providing a separate written notice, by mail or electronic means informing the member of the electric service disconnection and the available rights and remedies to dispute any bill as described herein below. No further notice will be given before the collection process as described in Board Policy No. 5-02, Billing and Collection, begins for any past due bill. For UCCEMC members participating in TVA's Enhanced Security Deposit Program, TVA's Deposit Assurance Program or TVPPA's DIC Credit Insurance Program the Cooperative shall follow the most current guidelines and requirements of the ESDP, DAP or DIC in effect relative to termination of electric service. The bill will advise that any dispute regarding any aspect of any bill may be registered at any Cooperative office during normal business hours.

3. If member does not make payment or otherwise arrange for settlement of the bill by the due date, the Cooperative will proceed to collect the bill in accordance with Board policy No.5-02, Billing and Collection.

4. Normally, the Cooperative will send a collector to the service location in a last attempt to secure payment. If he/she is not successful, termination of service may be at any time thereafter.

5. Members desiring a hearing on a disputed bill or other service issues may do so by appointment at any of the Cooperative's offices during normal operating hours Monday through Friday. Members participating in TVA's Enhanced Security Deposit Program (ESDP), TVA's Deposit Assurance Program (DAP) or TVPPA's DIC Credit Insurance Program (DIC) shall follow the guidelines of said program relative to any disputed bill.

6. A member requesting a hearing has the right to examine the Cooperatives records pertaining to that member's service prior to his hearing. .

7. Hearings will be conducted by a duly authorized counselor as listed herein below, who will hear the evidence and render a prompt decision.

Authorized Counselors:

- Consumer Services Supervisor
- District Manager

8. If the member can show reasonable doubt as to the validity or fairness of his/her hearing, he or she may request an appeal hearing with a duly authorized counselor as listed herein below. Such request, containing reasonable objection to his/her first hearing, must be made by noon on the next business day following the original hearing. Such an appeal hearing will be promptly scheduled and will be conducted by a duly authorized counselor. This authorized counselor will hear the evidence and promptly render a final decision on this issue.

Authorized Counselors:

- Assistant General Manager

9. Special counseling is available for those members who may be experiencing hardship or other unusual circumstances.

10. In the case of billing disputes or other service issues, the member is expected to resolve the dispute by notifying and working with the Cooperative. If the dispute is not resolved, the Cooperative will provide the member with information regarding TVA's Complaint Resolution Process. Members will be informed about the TVA Complaint Resolution Process upon application for service, at any time upon request, and through information provided on the Cooperative's website at www.ucemc.com or other technological means of communication, if available.

B. Termination of Electric Service during Extreme Weather Events

1. In the event of extreme weather, UCEMC shall evaluate weather conditions daily as forecasted by the National Weather Service at www.weather.gov. Temperatures shall be evaluated according to the National Weather Service forecast for each UCEMC District office according to the USPS zip code for each of the four (4) UCEMC District Office locations. In the event the temperature for any 24 hour day, is not forecast to be get below ninety-five (95) degrees (F) (hot weather); or is not forecast to get above thirty-two (32) degrees (F) (cold weather); UCEMC will postpone the disconnection of service of UCEMC members on monthly billing cycles scheduled for such disconnection due to non-payment, who receive electric service and which service is maintained from the District Office affected by the extreme weather event. Where disconnection is postponed due to an extreme weather condition, the postponement will not extend beyond the extreme weather condition.

2. The aforementioned language relative to the procedures for termination of electric service during extreme weather events shall not apply to members who elect to participate in UCEMC's Power-Your-Way prepaid metering program.

C. Termination of Electric Service Relative to Medical Hardships

1. Accounts of members identified by Upper Cumberland Electric Membership Corporation (UCEMC) as having a Medical Hardship and whose health could be critically threatened if electric service is disconnected, may receive an extension of electric service prior to disconnection for non-payment. In order to qualify for said extension of service, the member must contact UCEMC to obtain a "Medical Request Form for Medical Hardship", and have the form completed by a certified and licensed Health Care Provider. The Health Care Provider shall use the form provided by UCEMC to certify in writing that disconnection of electric service would critically endanger the individual's health. It is the responsibility of the individual member, however, to inform UCEMC if the member or someone residing in the household fits these criteria. Members, who have provided UCEMC with the required medical form, giving notice of the need for life-sustaining medical equipment from a licensed Health Care Provider, will be allowed an additional four days (96 hours) before disconnection of electric service for nonpayment is made. Members who have not provided UCEMC with the required medical form, giving notice of the need for life-sustaining medical equipment, from a licensed Health Care Provider, UCEMC shall extend service for an additional two days (48 hours) to allow time for the member to have said form approved and on file with UCEMC. Upon receipt of said form, service shall be extended for an additional two days (48 hours) making a total of four days (96 hours) extension before service is disconnected. An extension of electric service as described herein above shall be

granted to allow time for the member to make payment or alternative shelter arrangements.

2. Upper Cumberland EMC will allow temporary extension of electric service for up to 96 hours as described herein above and provided a current Health Care Provider's certificate of Medical Request Form for Medical Hardship stating that termination would be detrimental to the health/safety of a person is on file with UCEMC. The Medical Request Form for Medical Hardship shall be required to be updated by a Licensed Health Care Provider every ninety (90) days and evidence of recertification kept on the files of UCEMC in order to receive such service extension. Extensions of electric service by UCEMC in accordance with the foregoing shall be allowed a maximum of two (2) times during any calendar year. It shall be the responsibility of the member to ensure that the "Medical Request Form for Medical Hardship" as described herein above has been approved by UCEMC personnel and is on file with UCEMC.

3. Any UCEMC member receiving extension of electric service due to submission of the Medical Request Form for Medical Hardship is hereby informed that the form is only a temporary extension of electric service and said form shall not release any member of the cooperative from any financial responsibility, for full payment of electric service rendered.

4. The Health Care Provider's Certificate of Medical Request Form for Medical Hardship shall be available on the cooperative's website at www.ucemc.com or at any UCEMC office.

RESPONSIBILITY: General Manager

PROCEDURE: As stated in policy.

APPENDIX

A. Medical Request Form for Medical Hardship

Board Policy 5-31, Termination of Service**Appendix A****Medical Request Form for Medical Hardship****ACCOUNT #** _____ **ACCOUNT NAME:** _____**Date Received:** _____**PATIENT NAME:** _____**PATIENT ADDRESS:** _____**Medical Authorization**

Licensed Health Care Provider is hereby authorized to furnish to any Upper Cumberland Electric Membership District Office, any and all information in your possession concerning the undersigned patient's physical condition, care, diagnoses, and treatment. The undersigned patient understands that treatment, payment, enrollment, or eligibility for benefits has not been conditioned on the signing of this authorization. The undersigned patient further waives all privileges and confidentiality, which may exist in the doctor/patient relationship or healthcare provider/patient relationship, so as to permit the release of all information desired by UCEMC. The undersigned patient further releases you and all other persons employed by you for all claims the undersigned patient may have or claim to have for any invasion of privacy by reason of your furnishing information to UCEMC. The undersigned patient further states that this medical authorization is to be considered by you to contain the core elements and required statements outlined in 45 CFR, Section 164.500, et seq to allow you to disclose the requested information with UCEMC in compliance with the HIPPA Privacy Standards with respect to the disclosure of protected health information.

Date: _____

Sworn to and subscribed before me, on this the _____ day of _____, 20____ Patient _____.

Notary Public: _____ My Com. Exp. _____ (SEAL)

Licensed Health Care Provider: PLEASE COMPLETE ALL PARTS. Upper Cumberland EMC WILL CALL TO CONFIRM.

I am a licensed health care provider in the State of _____. The above named customer is a patient of mine and is under my care and treatment at this time. I have personally examined the above named patient within the past 90 days. The above patient is suffering from the following medical condition:

(Type or Print)

The above medical condition requires the patient to use the following electric life-sustaining device:

(Type or Print)

In my opinion the termination of electrical service at the present time would result in an immediate life threatening condition for the above patient. My opinion is based upon a reasonable degree of medical certainty.

Licensed Health Care Provider Signature Print Name Phone Number

Sworn to and subscribed before me, on this the _____ day of _____, 20____.

Notary Public: _____ My Com. Exp. _____ (SEAL)

CUSTOMER'S ACKNOWLEDGEMENT

I have been informed by Upper Cumberland EMC that this is only a temporary extension to pay my account and if my condition remains the same or worsens, then it is my responsibility to renew this form on or before 90 days. I acknowledge that it is my responsibility during this period to arrange for the transfer of the above patient to another location, in the event payment cannot be made.

I have been informed by Upper Cumberland EMC that Upper Cumberland EMC has the sole discretion to accept or deny this application for relief based upon a life threatening condition for the above named patient.

Date_____
Customer Signature

BOARD POLICY NO. 5-37 R-5

SUBJECT: Pre-Payment Program

I. OBJECTIVE

- A. To establish an alternative to Board Policy No. 5-13, Deposits, for member – owners, while achieving that policy’s primary objective of safeguarding the assets of the cooperative and to provide an alternate method of bill payment for UCEMC members who so desire.

II. GUIDELINES – RESIDENTIAL MEMBERS

- A. UCEMC’s Pre-paid metering program is available to new and existing single phase, non-demand residential members that have 200 AMP and 400 AMP services. All Pre-Paid metering is dependent upon the availability of satisfactory metering equipment meeting UCEMC and other applicable standards. The Pre-pay program cannot support medical hardship certifications, heat pump loans, budget billing or automatic bank drafts.
- B. New Members – The technology-based screening tool, Online Utility Exchange, shall be the standard for evaluating the credit risk of any new applicant for residential service and for establishing any required deposit for any new applicant at the point of application or for any existing transferring member determined by experience to be at significant credit risk level at the time of a request for transfer of service. If the credit report indicates the need for a deposit the member must pay the full deposit amount or enroll in the Pre-Payment Program. Additionally the Pre-Payment Program is available to any UCEMC residential member who wishes to participate for reasons other than those associated with deposit fees.

ONLINE UTILITY EXCHANGE screening will provide the following criteria for deposit decision-making:

- 1) Social Security Number (SSN) verification;
- 2) Credit risk level of applicants for initial service or for additional service; and
- 3) Payment experience with other utility providers.

Credit risk levels shall be:

- 1) No credit risk (Online Utility Exchange’s green light designation)
- 2) Minimal credit risk (Online Utility Exchange’s yellow light designation)
- 3) Substantial credit risk (Online Utility Exchange’s red light designation)

Deposit amounts for traditional payment methods for all members shall be determined in accordance with Board Policy 5-13, Deposits.

- C. Pre-Payment Program applicants must have a membership, pay the connection fee in accordance with Board Policy 5-02, Billing, Connection, Collection, and Reconnection, pay a fifty dollar (\$50) pre-payment reserve and pay a twenty-five dollar (\$25) credit for

daily usage, in addition to completing the Pre-Payment Program Enrollment Form. The fifty dollar (\$50) pre-payment reserve shall be held by UCCEMC and used for the purpose of covering the cost associated with continuing to furnish electric service to those member-owners participating in the Pre-Pay Program who have a negative account balance and are unable to make an additional pre-payment or are final billed with arrears owing to the Cooperative. A prepaid account shall be subject to disconnection any time the account fails to maintain a credit balance. If service is disconnected and UCCEMC personnel are contacted for after-hours reconnection, appropriate reconnect fees will apply. Any returned checks or other fees on the account will be charged to the member's account immediately. If this causes the credit balance to be exhausted, service will be subject to disconnection. To restore service, the Pre-pay account balance must be recharged to a minimum of \$10.01 credit within seven (7) days of disconnection. UCCEMC will finalize the account after seven (7) days of inactive service and a final bill will be mailed to the last known address on file. Members must notify UCCEMC if they move or cease service at the pre-payment location. Monthly Customer Charge and any other applicable charges, such as Yard Lights will be prorated and applied on a daily basis until the member request a final disconnect.

- D. Existing Members: Existing members opting to convert their account to prepay must pay the connection fee in accordance with Board Policy 5-02, Billing, Connection, Collection, and Reconnection, pay a fifty dollar (\$50) pre-payment reserve and a twenty-five dollar (\$25) credit for daily usage, in addition to completing the Pre-Payment Program Enrollment Form. Any existing security deposit shall be applied to account balances and required fees to establish new prepay account. Members must pay all pre-existing fees, account balances and unbilled energy or select to participate in the debt management program before an account can be converted from post-pay to pre-pay.
- E. Pre-Payment participants will be sent a daily text and / or e-mail to alert them of their balance. When the balance is at or below \$10.00 or any other amount the member has elected, the member will be sent a text and / or e-mail daily alerting them of their balance.
- F. Pre-Payment participants may make power purchases in an amount not less than \$25.00 at any UCCEMC District office during normal business hours or participants may make purchases of any amounts by phone during normal business hours or by logging on to www.ucemc.com or UCCEMC's Mobile App (phone and online payments can be made by debit or credit card). Participants may also make purchases of any amounts at any time using various payment options at any existing UCCEMC payment kiosk.
- G. Pre-Payment participants who allow their balance to reach zero (resulting in the loss of service) can re-establish service by simply making an additional power purchase. Participants will not be subject to penalties or service charges due to their balance reaching zero. If service is disconnected and UCCEMC personnel are contacted for after-hour reconnection, appropriate reconnect fees will apply.
- H. Pre-Payment Program participants who allow their balance to reach and remain at zero for seven consecutive days will be finalized from the Cooperative's system and must come in during normal business hours to re-establish membership and service. If service is disconnected and UCCEMC personnel are contacted for after-hour reconnection, appropriate reconnect fees will apply.
- I. Members disconnected for nonpayment or who have an uncollectable account may be enrolled into the Pre-Payment Program under the guidelines detailed in this program with

fifty percent (50%) of all their purchases being applied to their delinquent bill until the balance is paid in full.

III. EXCEPTIONS:

Members participating in the Pre-Payment Program are exempt from all or parts of the following Board Policies requirements with regard to the Pre-Payment account:

- A. Board Policy 5-02 “Billing, Connection, Collection, and Reconnection”
- B. Board Policy 5-07 “Consumer Payments Returned by Banks or Credit Institutions”
- C. Board Policy 5-13 “Deposits”
- D. Board Policy 5-31 “Termination of Electric Service”

IV. RESPONSIBILITY

- A. Responsibility for administering this Policy is assigned to the General Manager.
- B. Supervisors/Managers shall be responsible for following and directing their subordinates in following this policy.

APPENDIX

A. UCEMC Power-Your-Way Terms of Service/Application

UCEMC Power-Your-Way Terms of Service / Application

Applicability / Availability: UCEMC's prepaid metering program is available to new and existing single phase, non-demand residential members that have 200 AMP and 400 AMP services. All Pre-Paid metering is dependent upon the availability of satisfactory metering equipment meeting UCEMC and other applicable standards. **In accordance with Board Policy 5-37, II. Guidelines:** The Pre-pay program cannot support medical hardship certifications, heat pump loans, budget billing or automatic bank drafts **and III. Exceptions:** Members participating in the Pre-Payment Program are exempt from all or parts of the following Board Policies with regard to the Pre-Payment account: A. Board Policy 5-02, Billing, Connection, Collection, and Reconnection; B. Board Policy 5-07, Consumer Payments Returned by Banks or Credit Institutions, C. Board Policy 5-13, Deposits; D. Board Policy 5-31, Termination of Electric Service.

New Members: New members opting into prepay metering will be required to complete a membership application if an application is not currently on file. Required fees include a membership fee of \$5.00, a connection fee in accordance with Board Policy 5-02, Billing, Connection, Collection, and Reconnection, a \$50.00 reserve and \$25.00 credit for daily usage. Electric service for Power-Your-Way accounts will be charged in accordance with the Cooperative's applicable Residential Rate Schedule. All charges for kilowatt-hour (energy) usage will be applied on a daily basis. Monthly Customer Charge and any other applicable charges such as Yard Lights will be prorated and applied on a daily basis. Members are not charged a security deposit. A credit/identity check is required.

Existing Members: Existing members opting to convert their account to prepay shall pay required fees to include a connection fee in accordance with Board Policy 5-02, Billing, Connection, Collection, and Reconnection, a \$50.00 reserve and a \$25.00 credit for daily usage. Any existing deposits **shall be** applied to account balances and required fees to establish new prepay account. Members must pay all pre-existing fees, account balances and unbilled energy **or** select to participate in the debt management program before an account can be converted from postpaid to prepay.

Debt Management: Existing members with account balances can utilize the debt management program. Once enrolled in debt management, with each payment that is made to the account a portion will be applied to the outstanding account balance. If debt recovery is utilized, fifty percent (50%) of each payment will be applied to the debt until the balance is eliminated.

Payments: Once an initial credit balance has been established, participants may make minimum payments of \$25.00 or more at any UCEMC District office during normal business hours or make purchases of any amount by phone during normal business hours or by logging on to www.ucemc.com or UCEMC's Mobile App (phone and online payments can be made by debit or credit card). Participants may also make purchases of any amounts at any time using various payment options at any existing UCEMC payment kiosk. Prepaid accounts are not eligible for credit extensions or payment arrangements. Once a Prepay account is established and a credit balance is realized, the home energy usage and any other applicable charges such as Yard Lights will be prorated and applied on a daily basis. The credit balance is reduced by the amount charged until either the balance is exhausted or additional payments are made to the account. Any account that has an exhausted prepaid balance is subject to disconnection. Prepay participants will not receive a monthly bill.

Notification: The member may elect to be notified of low balances via email and/or text message. Balance information may also be retrieved by visiting any UCEMC District office, calling 1-800-261-2940, UCEMC App or through our website at www.ucemc.com. The website will also allow the member to modify their notification settings. The member is solely responsible for managing and updating the notification settings on the prepaid account(s). All account profile changes, balance and usage, low balance, connect, disconnect and reconnect alerts will be sent in the manner the member selects. Failure to maintain the notification settings may result in disconnection without further notice. **Member initials** _____ I understand that I am responsible for carrier charges relating to email or text notifications. **Member initials** _____

Disconnection and Minimum Payments for Reconnection: A prepaid account shall be subject to disconnection any time the account fails to maintain a credit balance. If service is disconnected and UCEMC personnel are contacted for after-hour reconnection, appropriate reconnect fees will apply. Any returned checks or other fees on the account will be charged to the member's account immediately. If this causes the credit balance to be exhausted, service will be subject to disconnection. To restore service, the pre-pay account balance must be recharged to a minimum of \$10.01 credit within 7 days of disconnection. UCEMC will finalize the account after 7 days of inactive service and a final bill will be mailed to the last known address on file. I understand that I must notify UCEMC if I move or cease service at this location. Monthly Customer Charge and any other applicable charges such as Yard Lights will be prorated and applied on a daily basis until the member request a final disconnect. **Member initials** _____

Cancellation: Participants may convert an account to postpaid electric service at any time provided the member's account is current and an adequate security deposit is provided. Service terminated at the request of the member will receive a refund of any remaining credit on the account.

UCEMC reserves the right to modify the Schedule of Rules and Regulations at any time without prior notification. Current Rules and Regulations may be found on the Cooperative's website at www.ucemc.com.

As a UCEMC member, I hereby request Power-Your-Way electric service. I/We have read, understand, and agree to comply with all Prepay requirements and restrictions. By signing below, I/We acknowledge the foregoing and hereby declare that I/We have received a copy of the Service Application. Sign below and initial paragraphs above.

Member Signature _____ Member Sep _____ Date _____ CSR Initial _____

Power-Your-Way

Account Information

Name					
Account #			Location Number		
SSN Number			D License Number		
Street Address					
City and State				Zip	
Home Phone	()	Cell Phone	()		
Email Address					

Alerts and Reminders

Mobile Service Provider: _____

	Text Message	Email
Account Profile Change	☐	☐
Service Connected	☐	☐
Service Disconnected	☐	☐
Service Reconnected	☐	☐
Low Balance Threshold	☐	☐
Low Balance Threshold: \$ _____		
Balance and Usage Alert	☐	☐
Return Payment Alert	☐	☐

I understand that I am responsible for carrier charges relating to email or text notifications. Initial ____

Alerts and Reminders

Debt Management

Start Date: _____

Amount Applied to Debt Management: \$ _____

Payment Distribution Ratio: DM Balance: 50% PPM Balance: 50%

I authorize UC EMC to set up my Power-Your-Way account with the options selected above.

Member Signature	Member Sep	Date
Member Signature	Member Sep	Date

Customer Service Signature _____

Adopted 08-29-91; Reaffirmed 04-18-18; **Reaffirmed 08-16-23**

BOARD POLICY NO. 7-01

SUBJECT: PUBLIC SAFETY

POLICY:

I. OBJECTIVE:

To establish procedures and conditions which reasonably safeguard the Cooperatives members and the general public from potentially dangerous electrical conditions.

II. POLICY CONTENT:

This policy governs member, general public and employee responsibilities for public safety.

III. PROVISIONS:

A. The Cooperative, in the construction, operation and maintenance of its electrical system, will at all times adhere to the provisions outlined in the most current edition of the National Electrical Safety Code (NESC) unless specifically required by other authorities to do otherwise.

B. It is the responsibility of each employee, contractor, Cooperative member, and general public member to report to the Cooperative all unsafe conditions which any such person observes on the Cooperative's electrical system. Any employee, contractor, Cooperative member, or member of the general public, upon finding a power line in an unsafe condition or a condition not in compliance with NESC clearances should immediately notify the Cooperative's dispatcher concerning the unsafe condition. Cooperative employees and contractors should stand by to guard against hazardous conditions until they are relieved or until the defect is corrected. Cooperative members and members of the general public are not expected to stand by to guard against hazardous conditions, but should notify, in addition to Cooperative personnel, law enforcement and emergency personnel respecting the unsafe condition.

C. Members of the Cooperative and the general public should always assume that a downed power line or a sagging power line is unsafe. Contact should be strictly avoided, and the Cooperative and law enforcement authorities should be notified when such a condition is observed.

D. Even a power line which appears to be in its normal condition may be unsafe. Therefore, members of the Cooperative and the general public should always avoid contact with power lines.

E. If any Cooperative member or member of the general public inadvertently comes into contact with a power line, the incident should be reported immediately to the Cooperative. If there are injuries, emergency medical personnel should be contacted immediately. Further contact with the power line should be strictly avoided and the incident should be reported immediately to the Cooperative. If the incident occurred on a public right-of-way, law enforcement officials should also be notified.

F. All accidental contacts involving the Cooperative electric lines, vehicles, or property shall be properly and promptly investigated, with complete accident reports prepared, including visual records to substantiate the written reports and sketches.

RESPONSIBILITY:

A. The General Manager shall be responsible for implementing this policy.

B. Copies of this policy shall be forwarded to various public agencies within the Cooperative's service area. Copies of this policy shall be given to each new member upon application for service.

RESIDENTIAL RATE--SCHEDULE RS

Availability

This rate shall apply only to electric service to a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing therein.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor. Multiphase service shall be supplied in accordance with Distributor's standard policy.

Adjustment

The base energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, the base energy charge and the hydro allocation credit shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Minimum Monthly Bill

The base customer charge, as reduced by the hydro allocation credit, constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under Distributor's standard policy because of special circumstances affecting Distributor's cost of rendering service.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage.

Service is subject to Rules and Regulations of Distributor.

For the most current electric rates please visit our website at www.ucemc.com or contact your local office.

SUPPLEMENTAL RESIDENTIAL RATE--SCHEDULE SRS

Availability

This rate shall apply only to electric service to an appurtenance of a single-family dwelling served under Distributor's Residential Rate--Schedule RS, where such appurtenance is separately metered and where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing in said single-family dwelling. This rate is not available to accounts with (1) demand over 50 kW or (2) monthly usage over 15,000 kWh.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor. Multiphase service shall be supplied in accordance with Distributor's standard policy.

Adjustment

The base energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Minimum Monthly Bill

The base customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under Distributor's standard policy because of special circumstances affecting Distributor's cost of rendering service.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of the bill that is unpaid after the due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage.

Service is subject to Rules and Regulations of Distributor.

For the most current electric rates please visit our website at www.ucemc.com or contact your local office.

GENERAL POWER RATE--SCHEDULE GSA

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is 5,000 kW or less) for electric service to commercial, industrial, and governmental customers, and to institutional customers including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single-or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the base demand charge, as adjusted, applied to the customer's billing demand, and (c) the base energy charge, as adjusted, applied to the customer's energy takings; provided, however, that, under 2 of the Base Charges, the monthly bill shall in no event be less than the sum of (a) the base customer charge and (b) 20 percent of the portion of the base demand charge, as adjusted, applicable to the second block (excess over 50 kW) of billing demand, multiplied by the higher of the customer's currently effective contract demand or its highest billing demand established during the preceding 12 months.

Distributor may require minimum bills higher than those stated above.

Seasonal Service

Customers who contract for service on a seasonal basis shall be limited to 2,500 kW and shall pay the above charges, as adjusted, plus an additional seasonal use charge equal to (1) 1.33¢ per kWh per month under 1 of the Base Charges, (2) the sum of 1.33¢ per kWh for the first 15,000 kWh per month and \$4.00 per kW per month of billing demand in excess of 50 kW under 2 of the Base Charges, and (3) \$4.00 per kW per month of billing demand under 3 of

the Base Charges. Consistent with Distributor's standard policy, the customer may arrange for seasonal testing of equipment during offpeak hours.

For such customers, the minimum bill provided for above shall not apply. Distributor may require additional charges to provide recovery of costs for customer-specific distribution facilities.

Contract Requirement

Distributor may require contracts for service provided under this rate schedule. Customers whose demand requirements exceed 250 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

For the most current electric rates please visit our website at www.ucemc.com or contact your local office.

OUTDOOR LIGHTING RATE--SCHEDULE LS

Availability

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Service under this schedule is for a term of not less than 1 year.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Adjustment

The energy charge in Part A and Part B of this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, the energy charge in Part A and Part B of this rate schedule shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Metering

For any billing month or part of such month in which the energy is not metered or for which a meter reading is found to be in error or a meter is found to have failed, the energy for billing purposes for that billing month or part of such month shall be computed from the rated capacity of the lamps (including ballast) plus 5 percent of such capacity to reflect secondary circuit losses, multiplied by the number of hours of use.

Revenue and Cost Review

Distributor's costs of providing service under Part A of this rate schedule are subject to review at any time and from time to time to determine if Distributor's revenues from the charges being applied are sufficient to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided and those resulting from depreciation and payments for taxes, tax equivalents and interest.) If any such review discloses that revenues are either less or more than sufficient to cover said costs, Distributor shall revise the above facility charges so that revenues will be sufficient to cover said costs. Any such revision of the annual facility charge provided for first above in section II of Part A of this rate schedule shall be by agreement between Distributor and TVA.

Additional Facilities

The charges in this Part B are limited to service from a photoelectrically controlled standard lighting fixture installed on a pole already in place. If the customer wishes to have the fixture installed at a location other than on a pole already in place, Distributor may apply an additional monthly charge.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with replacement policies of Distributor without additional charge to the customer.

Special Outdoor Lighting Installations

When so authorized by policy duly adopted by Distributor's governing board, special outdoor lighting installations (other than as provided for under Parts A and B above) may be provided, owned, and maintained by Distributor's electric system. In such cases Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such installation and shall require payment by the customer of monthly charges sufficient to cover all of Distributor's costs (except reimbursed costs), including appropriate overheads, or providing, owning, and maintaining such installations, and making lamp replacements.

Service is subject to Rules and Regulations of Distributor.

For the most current electric rates please visit our website at www.ucemc.com or contact your local office.

Meter Tampering

Your electric meter will be sealed at the time it is set by cooperative personnel. The breaking of the meter seal or tampering with the meter or other service equipment is both dangerous and illegal. If you have a need to have your meter removed temporarily, you should call your nearest UCEMC office.

Diversion of unmetered power is illegal and incurs additional cost to the cooperative which must be borne by the ratepayers. If you know of anyone who is stealing power, you can report it to your UCEMC office by telephone or letter and remain anonymous. No questions will be asked as to your identity.

Budget Billing Plan

The Cooperative offers Budget Billing to its residential members in equal monthly amounts for electric service at that specific location. The equal monthly amount is based on the member's past use history, credit experience and other sources of information for future use at this location. The Budget Billing form can be reviewed at UCEMC's website, www.ucemc.com, our App or by visiting any UCEMC office.

You may withdraw from the plan at any time. Those who withdraw will be required to pay any balance due at the time of withdrawal. If you have a credit balance it will be refunded by credit to your electric account or by check if appropriate.

The Cooperative may terminate the agreement with any member for the member's violation of any Cooperative rules or regulation.

Bank Draft Payment Plan

Any member paying their electric bill by check may participate in the Bank Draft Payment Plan. Members will be asked to complete the Bank Draft Application which will authorize their financial institution to debit the amount of the electric bill monthly from their checking account.

Members may withdraw from the Bank Draft Payment Plan at any time. The Cooperative reserves the right to terminate any member's participation if the member's bank fails to honor the authorized drafts.

Personal Billing Information

You are a valued Member and we appreciate your business!

You should receive your electric bill about every 30 days. If you terminate your service your bill may be for a shorter or longer period of time. The amount of your electric bill is based on your monthly electric meter reading. Your electric bill is mailed at least 15 days before it is due. All bills are due and payable when issued. To avoid a late fee, payment must be received and processed by the due date. Payments not received by the due date are considered delinquent and service is subject to disconnection.

If your electric bill does not arrive please call your local UCEMC office for the amount due. Paying it before the due date will save you from paying the extra penalty amount. More information on billing and collecting may be found in Board Policy 5-02 or on our website at www.ucemc.com.

Failure to receive your electric bill will not excuse you from making payment.



Questions!

Meter read _____ of each month

Bill mailed _____ of each month

Bill due _____ of each month

If you move the above dates may change.

You may pay your electric bill or conduct business at any UCEMC office between the hours of 8:00 AM and 4:30 PM Monday thru Friday. Please visit our website www.ucemc.com for other options to pay.

Kiosk are available at the following locations:

UCEMC Corporate Office (Front Kiosk 24/7), 907 Main St., North, Carthage, TN 37030

UCEMC Cookeville District Office (Front Kiosk 24/7), 1794 West Broad St, Cookeville, TN 38501

UCEMC Carthage District Office (2 Kiosk at Drive - Thru window 24/7), 138 Gordonsville Hwy, South Carthage, TN 37030

Other Ways to Pay

Bank Draft

Auto Pay

Customer Portal on our Website

UCEMC Mobile App

Mail

FastPass

Phone Using our IVR

UCEMC CheckOut

UCEMC Website

www.ucemc.com

POWER YOUR WAY

A PREPAY SOLUTION FROM UC EMC

The POWER YOUR WAY program from Upper Cumberland Electric is an option for our members seeking an alternative to traditional electric service. The program allows participants to avoid deposit and monthly bills, customize their payment schedule, purchase energy when convenient, and monitor their own consumption.

POWER YOUR WAY changes everything you know about electricity by providing real options for your unique situation, allowing you to pay for energy on your schedule and giving you the information to control your energy costs like never before.

800-261-2940 | ucemc.com

LOCAL PEOPLE | LOCAL POWER





A little change can change a lot.

UCEMC CARES IS AN OPPORTUNITY FOR CO-OP MEMBERS TO MAKE OUR SERVICE AREA A BETTER PLACE.

UCEMC Cares supports charitable organizations serving the health, safety and educational needs of our members. Spare change alone doesn't go far, but when combined with change from over 52,000 other UCEMC members your change make big changes.

That's what UCEMC Cares is all about – pooling resources to help charitable organizations right here in our own communities.

HOW DO I GET INVOLVED?

UCEMC CARES IS A VOLUNTARY PROGRAM. Simply contact your local UCEMC office or visit our customer portal at ucemc.com to opt-in to the program. UCEMCCares contributions are tax-deductible.

HOW DOES IT WORK?

UCEMC rounds up the bills of participants to the next highest dollar (a \$93.75 bill becomes \$94.00), and this extra change is used by UCEMC Cares to assist worthwhile causes. The average member contributes \$6 annually.

WHERE DOES THE MONEY GO?

UCEMC Cares, Inc. is a state chartered, nonprofit corporation apart from UCEMC. A volunteer board of directors will review applications and award grants. Contributions will be disbursed to charitable organizations for programs and services that benefit the communities it serves. All funds will remain in the UCEMC service area and UCEMC collects no administration or management fees. None of the money collected will be used for political purposes or to pay electric bills. Every penny is used to make lives better in our communities.

HOW DO WE APPLY FOR FUNDS?

Charitable organizations serving the UCEMC service area with health, safety and educational needs can apply for grants by contacting your local UCEMC office.

