

**Habersham Electric Membership Corporation
Clarkesville, Georgia**

Service Rules and Regulations

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100 - Electric Service Availability

101 - Application for Membership and Membership Fee

Any person, firm, association, corporation, or public body shall sign a written application for membership and pay a membership fee of \$40.00 together with any service security deposit that may be required by the Cooperative. In this application, the consumer shall agree to purchase from the Cooperative all electric energy used on premises except that energy generated on premises, and be bound by the Cooperative's Certificate of Incorporation and bylaws and all rules, regulations and rate schedules established pursuant thereto and pay the minimum monthly bill stated in the applicable rate schedule or, in the event of a written contract for service, the minimum set forth in said contract.

102 - Service Security Deposits

A service security deposit shall be collected in addition to other fees and/or deposits with respect to which the cooperative determines that such deposit is needed to assure payment of the power bill.

In determining the need for a service security deposit, and in fixing the amount of such deposit, the Cooperative will give careful regard to the following factors:

- A. Type of service involved;
- B. The risk involved;
- C. The reputation of the involved premises;
- D. The credit rating of the consumer;
- E. History of connect, disconnect, and reconnects at the involved premises or for the involved consumer; and
- F. Any other factor having a realistic bearing on the consumer's financial dependability. However, such deposit shall not ordinarily be more than the consumer's estimated power bill for three months' service, except when service is being furnished on the basis of a written contract or when the Cooperative determines that a higher amount is necessary due to some unusual circumstance.

A service security deposit shall be refunded, without interest -

- A. As provided for in a written contract for service; or
- B. Upon such other conditions as may be established by the Cooperative with respect

to service risks of similar character. Upon request of the consumer, the security deposit will be refunded after two years provided there has not been a delinquency during the last two years. In any event, the deposit shall be refunded, without interest, upon termination of the service, less any amount the consumer may then owe the Cooperative.

103 - Additional Service & Additional Service Connection Fee

Consumers desiring additional service connections must file written applications for each such desired service connection on a form provided by the Cooperative and may be required to pay an additional service deposit based upon payment history.

104 - Security Light Fee

A member (having already qualified for membership) will not pay additional security light fee deposits.

A non-member shall qualify for membership by paying the \$40.00 fee pursuant to receiving security light service.

105 - Transfer of Additional Service Fees and Security Light Fees

These fees may be transferred to one who directly occupies the premises being furnished service under such fees upon the successor meeting the requirements for additional service in 103 and 104 and paying any other fees and deposits required; notwithstanding the foregoing, service to a surviving spouse, a change from single service to a joint service by the member and spouse, or a change from a joint service to a single service by either one receiving joint service, may continue under such existing fees upon meeting all other requirements.

200 - General Extension Policy (Area Coverage)

201 - Extension Classification - Overhead Extension

It shall be the policy of Habersham Electric Membership Corporation to extend single phase service by the most economical method of construction upon request to all consumers. A contribution in aid of construction may be required for the following:

- A. The consumer requires service that is not by the most economical method of construction in which case the consumer will pay the difference,
- B. The distance to be extended is over 1,000 feet from the cooperative's existing lines.
- C. Commercial and three-phase service. For commercial, industrial consumers, and all multi-phase consumers of all rate classifications, service will be extended under individual agreements with the consumer. All such agreements shall contain a requirement for the consumer to pay a minimum monthly bill. If needed to make such service feasible, the Cooperative

may require any or all of the following: (a) An increase in minimum, (b) A facilities extension deposit, (c) A contribution in aid of construction.

D. Temporary service -

Temporary service of 120 or 240 volts, single-phase power will be furnished for construction purposes. Application for temporary service shall be handled on an individual basis. A non-refundable charge may be required for the installation of each temporary service, this charge to be in addition to any fees or security deposits.

A consumer applying for temporary service will be required to supply a suitable meter loop set at the desired location. If overhead the top of the pole shall be at least 12 feet above ground level or higher if needed.

Temporary transient service and other applicants for temporary service will be required to furnish their own meter loop and meter base. Service charges will be determined according to the construction and retirement costs involved. A security deposit may also be required.

E. Other service-

Requests for service for those not otherwise covered will be considered on the merits of each request.

A consumer may be required to pay the cost of the initial right-of-way clearing as determined by the cooperative.

202 - Underground Service Extension

Underground primary lines are generally more expensive to install than overhead and are subject to special conditions and policies making it necessary to consult the Cooperative during planning.

Upon request, the Cooperative will, as nearly as practical, install, own, and maintain underground facilities under the same conditions as it would overhead facilities provided that the Cooperative obtains a payment in the amount by which the cost for providing underground facilities exceeds the overhead distribution cost. In arriving at the cost to provide underground facilities, terrain, vegetation, accessibility, proximity of individual services, maintenance, operation, and other pertinent factors will be considered.

Except for bulk primary distribution feeders, the Cooperative will not install overhead distribution facilities, or replace underground facilities with overhead facilities, in an area served by an underground distribution network system unless sound engineering practices dictate otherwise.

203 - Facilities Extension Ownership

All line extensions, service wire and connections, no matter who pays or contributes toward paying the cost thereof, are to be installed by the Cooperative and remain the property of the Cooperative. The Cooperative shall not be required to serve any

consumer over a line built, owned, operated, and/or maintained by the consumer or a third party.

All property of the Cooperative placed in or upon the consumer's premises, used in supplying service to him, is placed there under his protection.

The Cooperative shall have access to such property at all reasonable times. A consumer shall at the request of the Cooperative, pay a portion of the cost of a lock or furnish a lock of his choosing keyed for a co-op master key.

The consumer shall not commit or cause or permit any act that may result in damage to or loss of such property or in the loss of life or injury to any person, or the loss of or damage to any other property, in relation to such property.

300 - Service Connections, Member Wiring and Member Equipment

301 - Service Connections

The wiring and electrical equipment in or upon the premises of the consumer to the point of service cut-in must have the approval of the constituted authority of the local government agency, or any other constituted authority, if any, and must conform to the requirements of the National Electrical Code, the wiring requirements of the Cooperative and any lawfully applicable standards before it can be connected to the system.

The location of the service cut-in shall be determined by agreement with a representative of the Cooperative and must conform to the Cooperative's requirements. The consumer shall provide suitable means of supporting service wires to his structure which will provide the minimum ground clearance and give adequate clearance over driveways and other obstructions as provided by the National Electrical Code. The Cooperative shall not be required to build without cost to the applicant more service line than is necessary to reach the cut-in point as agreed to by the Cooperative.

The Cooperative's responsibility for installation and/or maintenance of facilities shall not extend beyond facilities owned by the Cooperative at the point of attachment to the consumer's facilities (building, central distribution point, or structure). The consumer shall provide and maintain his cut-in free of all unnecessary wires, pipes, antennas, and any item that might interfere with receiving service or be unsafe; likewise he shall not erect an antenna, or other structure that might interfere with such service. He shall maintain his cut-in in its original condition and will, as soon as possible, make any repairs that may be required after he becomes aware of damage to the cut-in.

When the consumer service requirements are of such a nature that a central distribution point is to be located on a pole, the Cooperative will install the central distribution point pole for the attachment of the Cooperative's service facilities and the consumer may attach his facilities to the pole. When loads and conditions justify, a C.T. Meter may be installed on the central pole at the option of the Cooperative and service facilities extended to the consumer's entrances. A contribution in

aid of construction toward the cost of the central meter installation facilities may be required.

3.02 - General Wiring Requirements

Each consumer shall cause all premises receiving electric service pursuant to his membership to become wired to meet as a minimum the requirements of the National Electrical Code or any authority having jurisdiction. Each consumer shall be responsible for and shall indemnify the Cooperative and any other person against injury, loss, or damage resulting from any defect and/or improper use or maintenance of such premises and all wiring and apparatus connected thereto or used thereon. In no event shall the responsibility of the Cooperative extend beyond the point at which its service wires are attached to the consumer's facilities.

303 - Member Equipment

A. Electric Motors-

The Cooperative should always be consulted on motor installations other than motors used in normal home appliances.

It is the characteristic of most electric motors to draw a heavy momentary current when starting, resulting in many cases in variation of the voltage supplied to the other consumers who receive service from the same circuits or transformer. The Cooperative shall require the consumer to limit, when necessary, the amount of starting current which may be drawn by a motor.

All motors should be provided with devices that will protect the motor against overload and short circuit as defined in the National Electrical Code. All three-phase motors shall have overload devices on each of the three-phase wires to insure proper protection for the motor.

The direction of phase rotation and the continuity of all three-phase current are guarded with great care, but the Cooperative cannot guarantee against accidental or temporary change in phase rotation or phase failure; therefore, motors shall be equipped with suitable protection against such reversal or phase failure.

B. Electric Generators-

Where auxiliary or standby service is installed by the consumer to provide emergency power, parallel operation of the consumer's generating equipment with the Cooperative's system will not be allowed unless approved by cooperative. If not approved by cooperative, a double throw switch must be used to prevent possible injury to the Cooperative workmen by making it impossible for power to be fed back into the main line from the emergency generator.

C. Electric Welders and Miscellaneous Devices-

Consumers desiring to operate electric welders or other devices with high inrush or fluctuating currents must supply the Cooperative with information regarding the electrical characteristics of the equipment. Service will not be allowed to equipment, which adversely affects the Cooperative's facilities or the service to other consumers. The Cooperative must be consulted before the installation of such equipment.

D. Consumer Responsibility for Protective Devices

All protective devices required by these regulations shall be provided by the consumer and at the consumer's sole expense.

304 - Power Factor Corrections

The maintenance of high power factor is of primary importance in the economic operation and maintenance of the distribution system. Under-loaded motors contribute largely to the creation of a low power factor unfavorable to both the Cooperative and the consumer.

Where the over-all power factor of the consumer's load is less than the rate requirement, the Cooperative may require the consumer to install at his own expense, equipment to correct the power factor. The Cooperative reserves the right to measure the power factor at any time.

305 - Phase Load Balance

When multi-phase service is furnished, the consumer will at all times maintain a reasonable balance of load between the phases.

400 - Consumer Rate Classification

401 - Rate Schedule Availability

When two or more rates are available for certain classes of service, the conditions under which each is applicable to the requirements for the individual consumer are plainly set forth in the Cooperative's published rate schedules. The choice of such rates will be as set forth in an agreement for electric service, or, otherwise lies with the consumer.

The Cooperative will at any time upon request, advise a consumer as to the rate best adapted to existing or anticipated service requirements as defined by the consumer, but the Cooperative does not assume responsibility for the selection of such a rate or for the continuance of the lower annual cost under the rate selected.

A consumer having selected a rate adapted to his service may not change to another rate within a 12-month period unless there is a substantial change in the character or conditions of his service. A new consumer will be given reasonable opportunity to determine his service requirements before definitely selecting the most favorable rate therefor.

402 - Filing of Rate Schedules

A copy of the Cooperative's applicable retail rates shall be on file at the Georgia Public Service Commission, and will be provided upon request at the headquarters of the Cooperative.

403 - Resale of Power

A consumer shall not resell power purchased from the Cooperative without a written agreement permitting such resale.

500 - Metering

501 - Electric Meters

All meter bases shall be installed on an exterior surface outside the structure as nearly as possible at eye level. Upon receipt of the application for service, a representative of the Cooperative will survey the premises to be served and locate the meter center in the most feasible location.

Central meter pole service may be provided upon request at the option of the Cooperative where such installations are feasible and desirable to adequately supply power to the served premises.

The consumer will furnish and install the meter socket except when the Cooperative elects to do so in special metering situations.

All meters shall be placed ahead of all switches and fuses unless otherwise agreed to by the Cooperative. An electric meter that becomes enclosed inside a structure or becomes inaccessible to the Cooperative because of construction to or closing in of a part of the structure, or for any reason, shall be relocated to the outside at the expense of the owner of the structure.

502 - Meter Reading

Cooperative personnel shall read all meters on the system on a route basis. However, meters may be read or re-read at any time at the discretion of the Cooperative. These readings will not be at an additional charge to the consumer.

Consumers may request that a meter be re-read. A service charge may be applied to cover such expense unless an error is determined to have been made by the cooperative.

503 - Incorrect Reading of Meter

Corrections shall be made whenever meters are incorrectly read. The correct reading shall be ascertained whenever possible, and the bills will be recalculated as nearly as possible to reflect the correct usage.

504 - Failure of Meter to Register Correctly

If a meter fails to register correctly, the consumer will be billed on an estimated consumption, which will be based on the previous usage of the consumer. Consideration will be given to consumption on months immediately preceding, consumption in similar periods of other years, comparative usage and sizes of connected loads, and other relevant facts. Corrections for errors in meter registration may be considered for up to 48 months of prior billings.

505 - Meter Tests

The Cooperative will, upon request, test the accuracy of a consumer's meter. Should a consumer request repeated tests within 12 months period, a fee may be charged to cover such costs if the error is determined to be less than two percent (2%).

600 - Billing

601 - Billing Period and Payment of Bills

All consumers shall be billed monthly.

Bills are due and payable upon receipt of the bill by the consumer and are delinquent after the due date shown on the bill. A final notice will be sent notifying the consumer that unless payment is made immediately an employee of the Cooperative will disconnect service not later than the next scheduled meter reading unless the bill is paid. If the occupant of the place is not at home, or if the consumer refuses to pay the bill, service will be discontinued. Notwithstanding the above, service may be discontinued at any time a consumer refuses to pay a delinquent or past due bill.

Payment of bills may be made by mail, phone, internet, automatic draft or in person at the Cooperative's office in Clarkesville or Cleveland Georgia, or at one of the designated payment locations.

602 - Disconnect for Failure to Pay and Reconnection Fee

Any consumer whose service has been disconnected for failure to pay his bill in accordance with the provisions of Section 601 shall be required to pay a service fee and additional security deposits prior to reconnection. Normally, reconnections shall be made only during regular working hours. Reconnections requested and made during other than regular working hours shall be made only upon the consumer's paying the regular service fee, plus an overtime fee.

603 - Other reasons for Disconnection or Reconnection

Service will be disconnected immediately and without notice for the following reasons:

- A. Discovery of meter tampering.
- B. Diversion of electric current.
- C. Discovery of a condition determined by the Cooperative to be hazardous.

Electric service will be reconnected in the above cases under the following conditions:

- A. Correction of infraction.
- B. Payment of any unmetered current if applicable.
- C. Payment of a service fee to help defray costs resulting from the incident.
- D. Member must agree to comply with reasonable requirements to protect Cooperative against further infractions.

Service may be disconnected, but only after notice and reasonable time to comply with infraction has been allowed, for the following reasons:

- A. For violation of and/or non-compliance with any applicable state or other local

laws, regulations and codes pertaining to electric service.

- B. For non-compliance with bylaws, rules and regulations of the Cooperative.

Electric service disconnected for above reasons will be reconnected upon correction of infractions pursuant to Section 602.

604 - Extension of Credit

The Cooperative may deviate from its policy on cut-offs without obligation to do so for delinquent bills only if having knowledge of and in accordance with the following standards:

- A. When it is determined that enforcement of the policy will constitute an undue hardship in relation to the amount of the delinquent bill and that extension of credit for a fixed time, or arrangement for installment payment of the bill, will not unduly impair the Cooperative's ability to effectuate final collection of the bill; or
- B. When the consumer involved establishes to the satisfaction of the Cooperative that his failure to pay the bill has resulted from some mistake on the Cooperative's part or some mistake for which the consumer was not responsible; or
- C. When the involved bill is a final bill covering service to a farm, house, or other residential account and the main building thereof has been destroyed by fire not caused by act of arson on the part of the consumer or his family; or
- D. When to disconnect service might pose immediate danger to the consumer or other persons due to illness or when the household is immediately and directly affected by a death.

700 - Easements, Right of Access and Cooperative Property

701 - Member to Grant Easements to Cooperative if Required.

Each consumer shall, upon being requested to do so by the Cooperative, execute and deliver to the Cooperative grants of easement or rights-of-way over, on and under such lands owned by the consumer; and in accordance with such reasonable terms and conditions, as the Cooperative shall require for the furnishing of electric service and other utility type service (phone, cable, etc.) or for the construction of other facilities necessary for furnishing service to others or for transmitting power between two or more otherwise unconnected points on the Cooperative's system.

702 - Right of Access

Cooperative's identified employees shall have the right of access to consumer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, maintaining, or exchanging any or all equipment and facilities which are the property of the

Cooperative. When access is locked, the consumer shall assist with or provide a lock that will accommodate a master key of the Cooperative pursuant to Section 203 of these Service Rules and Regulations.

703 – Cooperative Property

All meters, service connections, poles, and other equipment furnished by the Cooperative shall be, and remain, the property of the Cooperative. The member-customer shall exercise proper care to protect the property of the Cooperative on the member premises; and, in the event of loss or damage to the Cooperative's property arising from neglect of the member-customer to care for same, the cost of necessary repairs or replacement shall be paid by the member-customer.

No persons or organization shall install or attach any wire, signs, or other material or equipment to any of the Cooperative's poles, conductors, or other fixtures, except with the expressed written consent of the Cooperative.

800 - General Conditions for Member Withdrawal and/or Transfer

801 - Member Withdrawal

A member may voluntarily withdraw in good standing from membership upon:

- A. Compliance with the bylaws.
- B. Payment of any and all amounts due the Cooperative, and cessation of any non-compliance with his membership obligations.

802 - Membership Transfer

A membership may be transferred to one who directly occupies the premises being furnished electric service upon the successor member meeting the requirements for membership in 101 and paying any other fees or deposits required; notwithstanding the foregoing, the membership may be transferred to the surviving spouse of said member, a single membership may be transferred to a joint membership composed of the single membership holder and his or her spouse, or a joint membership may be transferred to a single membership in the name of one of the joint members under the existing membership fee.

803 - Refund of Fees

Upon withdrawal or termination the member shall be entitled to refund of his membership fee, additional service connection fees or security light fees and security deposits then held by the Cooperative, except the following:

- A. That the membership fee, the additional service fee, or any other fee or deposit shall

- be applied to any obligations owed the Cooperative and the balance refunded; and
- B. Due to the cost of making refunds by check an amount of \$1.00 or less will not be made unless a request for the amount is made in person, in which case a cash refund of the amount will be made.

Rewritten: 10-82; Amended: 3-22-84; 9-6-84; 3-27-90; 12-23-91; 4-13-93; 5-22-01; 7-9-02; 2-22-05; 5-27-08; 12-30-08

Statement of Nondiscrimination

Habersham Electric Membership Corporation is the recipient of Federal financial assistance from the Rural Electrification Administration, 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 coordinating this organization's nondiscrimination compliance efforts is the Director Human Resources. 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 regulations 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 Electrification Administration, Washington, D.C. 20250. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.