TARIFFS

OF

SAN PATRICIO ELECTRIC COOPERATIVE, INC.

P O Box 400 402 East Sinton Street Sinton, TX 78387 361-364-2220 FAX 361-364-3467

Note: Effective September 1, 1999, Public Utility Regulatory Act (PURA) became law. This eliminated Public Utility Commission of Texas regulation of rural electric cooperatives. The authority for rates, customer service rules, service standards and the other authority of the PUCT now resides with the Board of Directors of San Patricio Electric Cooperative. These rates are updated to meet that requirement. Reference Public Utility Regulatory Act (PURA), Chapter 41.

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UTILITY OPERATIONS SECTION:

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101. Description of Electric Utility Operations

101.1 Organization

San Patricio Electric Cooperative, Inc. (SPEC, Co-op, San Patricio, San Patricio Electric) is an electric cooperative corporation organized and operating under the Electric Cooperative Corporation Act (Chapter 161 of PURA) and the laws of the State of Texas and is owned by its Members. The Cooperative's business affairs are managed by a board of directors who are elected to the board in accordance with the provisions of the bylaws from and by the Cooperative's members.

101.2 Type of Service

The Cooperative provides electric utility service through the operation of a retail electric distribution system. The Cooperative does not engage in the generation of electric power.

101.3 Service Area

A. Certification

The Public Utility Commission of Texas (PUCT) authorized the Cooperative to provide electric utility service by the issuance of a Certificate of Convenience and Necessity (CCN). A copy of the CCN may be obtained from the PUCT at 1701 N. Congress (P O Box 13326, Austin, TX 78711-3326), Austin, Texas.

В. **Counties**

The service area of the Cooperative includes all or portions of the following counties:

San Patricio Bee Live Oak Refugio Jim Wells McMullen Goliad Nueces

Aransas

C. Cities

The service area of the Cooperative includes all or portions of the incorporated municipalities of Odem, Beeville, San Patricio, Lake City, Mathis and Sinton.

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102. Purpose and Scope

These tariffs define the service relationship between the Cooperative and persons desiring or receiving electric utility service from the Cooperative.

Contractual rights and obligations of both parties are specified in a manner consistent with regulations affecting the Cooperative's method of operation.

103. Applicability of Tariffs

These tariffs are applicable to the provision of all electric utility service by the Cooperative in all areas in which the Cooperative provides service except as may be precluded by law.

104. Severability

If any provision of these tariffs is held invalid, such invalidity shall not affect other provisions or applications of these tariffs, which can be given effect without the invalid provision, or application, and to this end the provisions of these tariffs are declared to be severable. These tariffs shall not be construed so as to enlarge, diminish, modify, or alter the jurisdiction, powers or authority of the Cooperative granted by appropriate Regulatory Authority.

105. <u>Modification of Tariffs</u>

Any class of service may be redefined and these tariffs may be changed, modified, or abrogated in whole or in part by any Regulatory Authority having jurisdiction thereof, whether or not at the request of the Cooperative, a Member, or otherwise. Any changed tariff or redefined class of service shall be applicable to electricity and related services provided from and after the effective date of such change.

106. Waiver

The failure of the Cooperative to enforce any of the provisions of this tariff shall not be considered a waiver of its right to do so.

201. Rate Classification and Assignment

Rate classification and assignment shall be made by the Cooperative in accordance with the availability and type of service provisions in the Cooperative's rate schedules. Rate schedules have been developed for the standard types of service provided by the Cooperative. If Member's request for electric service involves unusual circumstances, usage, or load characteristics not regularly encountered by the Cooperative, or if the Member qualifies for service under more than one of the Cooperative's available schedules, the Cooperative shall provide service under the rate schedule determined by the Cooperative to be most applicable, or enter into a special contract. Any special contract shall be subject to the approval of any Regulatory Authority having jurisdiction thereof.

Upon request for service by an applicant or request for a transfer of service by a Member, the Cooperative shall inform the applicant or Member of the Cooperative's lowest-priced service alternatives available at the service location, giving full consideration to equipment options and line extension charges, if any.

202. Seasonal/Minimal Service

Members requiring service only during certain seasons of the year or accounts that seldom use electric power and energy in excess of the scheduled minimum amounts shall be served in accordance with the applicable rate schedule for the appropriate class of service, except that Members shall pay not less than twelve (12) times the minimum charge under the appropriate rate schedule or line extension contract as if service were extended and used for an entire 12-month period.

Members shall pay the entire annual minimum charge for seasonal service in lump sum payment at the beginning of the applicable season.

Seasonal service includes, but is not limited to, service to water wells, hunting facilities, fishing facilities, vacation and seasonal homes, and other similar types of service.

Service under this rate shall be provided at the Member's option.

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203. Rate Schedules

203.1 Residential

A. Availability

Available to all Residential-type customers requiring 49 kVA or less of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Customer Charge:

Single Phase Service: \$21.50 per meter Three Phase Service: \$25.00 per meter

Plus

Distribution Charge: \$0.0350 per kWh

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

Cost of Electricity Charge: \$0.072144 per kWh

SECTION: RATES AND CHARGES

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D. Billing Adjustments

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. The minimum SPEC Distribution System Charges, or
- 2. The amount specified in the contract.

The cost of electricity from STEC and billing adjustments are in addition to the above minimum monthly charge.

F. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.2 <u>Large Residential</u>

A. <u>Availability</u>

Available to all Residential-type customers purchasing electrical energy from the Cooperative which require 50 kVA and up to and including 350 kVA of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Customer Charge: \$150.00 per meter

Plus

Distribution System Demand Charge: \$7.82 per billing kW

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$8.25 per billing kW

Plus

Cost of Electricity Energy Charge: \$0.038127 per kWh

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

D. Billing Adjustments

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. The minimum SPEC Distribution System Charges, or
- 2. The amount specified in the contract.

The cost of electricity from STEC and billing adjustments are in addition to the above minimum monthly charge.

F. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

G. Conditions of Service

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

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3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.

- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.3 Residential Seasonal

A. Availability

Available to all Residential Seasonal customers requiring 49 kVA or less of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

Residential Seasonal customers will include but are not limited to water wells, barns, shops, hunting camps, fishing camps and seasonal homes not used for commercial use.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. <u>SPEC Distribution System Charges:</u>

Customer Charge:

Single Phase Service: \$21.50 per meter Three Phase Service: \$25.00 per meter

Plus

Distribution Charge: \$0.0565 per kWh

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

Cost of Electricity Charge: \$0.072144 per kWh

D. Billing Adjustments

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. The minimum SPEC Distribution System Charges, or
- 2. The amount specified in the contract.

The cost of electricity from STEC and billing adjustments are in addition to the above minimum monthly charge.

F. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

G. <u>Terms of Payment</u>

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.4 Small Commercial

A. <u>Availability</u>

Available to all Commercial customers requiring 49 kVA or less of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Customer Charge:

Single Phase Service: \$21.50 per meter Three Phase Service: \$25.00 per meter

Plus

Distribution Charge: \$0.0585 per kWh

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

Cost of Electricity Charge: \$0.072144 per kWh

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D. **Billing Adjustments**

This rate is subject to all billing adjustments.

E. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

- The minimum SPEC Distribution System Charges, or
- The amount specified in the contract.

The cost of electricity from STEC and billing adjustments are in addition to the above minimum monthly charge.

F. Conditions of Service

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.5 Large Commercial

A. <u>Availability</u>

Available to all Commercial customers purchasing electrical energy from the Cooperative which require 50 kVA and up to and including 999 kVA of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Customer Charge: \$150.00 per meter

Plus

Distribution System Demand Charge: \$7.82 per billing kW

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$8.25 per billing kW

Plus

Cost of Electricity Energy Charge: \$0.038127 per kWh

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

D. Billing Adjustments

This rate is subject to all billing adjustments.

E. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

- 1. The minimum SPEC Distribution System Charges, or
- 2. The amount specified in the contract.

The cost of electricity from STEC and billing adjustments are in addition to the above minimum monthly charge.

F. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.6 Texas Department of Corrections (Bundled)

A. <u>Availability</u>

Available to the Texas Department of Criminal Justice prison facilities requiring distribution delivery service from San Patricio Electric Cooperative, Inc. (SPEC) at a single service location within the Cooperative's service area. Purchased power will be provided by South Texas Electric Cooperative, Inc. (STEC). Service will be provided under the Cooperative's Rules and Regulations. This rate option is only available under contract.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. <u>Character of Service</u>

Three phase alternating current, 60 Hertz, at available primary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Customer Charge: \$1,000.00 per meter

Plus

Distribution System Demand Charge: \$12.50 per billing kW

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven (11) billing months.

The SPEC Distribution System Charge is designed to recover the costs of delivering electrical power and energy to the customer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers. This does not include the cost of electricity from STEC.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$10.80 per billing kW

Plus

Cost of Electricity Energy Charge: \$0.036983 per kWh

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

- Customers with active accounts will pay a minimum to include the SPEC Distribution System Charges plus the minimum Cost of Electricity from STEC.
- A customer disconnecting service under this rate will continue to receive a minimum bill calculated on 75% of the highest kW demand billed under this rate. This minimum will remain in effect until the next September billing month; or
- 3. The amount specified in the contract.

F. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.7 <u>Irrigation Bundled</u>

A. <u>Availability</u>

Available to all Irrigation customers requiring distribution delivery service from San Patricio Electric Cooperative, Inc. (SPEC) at a single metering point within the Cooperative's service area. Customers must have 15 horsepower (HP) or greater connected motor load. Irrigation must be used for the growing of commercial crops. Service will be provided under the Cooperative's Rules and Regulations.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charges:

Customer Charge: \$75.00 per meter

Plus

Distribution System Demand Charge: \$6.40 per billing kW

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month. There is no minimum demand billed under this rate.

The SPEC Distribution System Charge is designed to recover the costs of delivering electrical power and energy to the customer. This includes the cost of replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers. This does not include the cost of electricity from STEC.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$6.15 per billing kW

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month. There is no minimum demand billed under this rate.

Plus

Cost of Electricity Energy Charge: \$0.038127 per kWh

D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. The SPEC Distribution System charges.
- 2. The amount specified in the contract.

The cost of electricity from STEC and billing adjustments are in addition to the above minimum monthly charge.

F. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.8 Irrigation – Coincident Peak

A. <u>Availability</u>

Available to all Irrigation customers requiring distribution delivery service from San Patricio Electric Cooperative, Inc. (SPEC) at a single metering point within the Cooperative's service area. Customers must have 15 horsepower (hp) or greater connected motor load. Irrigation must be used for the growing of commercial crops. Service will be provided under the Cooperative's Rules and Regulations. This rate is only available with a minimum one (1) year contract.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. <u>Character of Service</u>

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

	Power <u>Supply</u>	SPEC <u>Distribution</u>	<u>Total</u>
Customer Charge (per meter) NCP Billing kW CP Billing kW Energy Charge per kWh	\$1.00 \$9.80 \$0.038127	\$100.00 \$4.50 \$0.00 \$0.000000	\$100.00 \$5.50 \$9.80 \$0.038127

<u>The Customer Charge</u> is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

The coincident peak (CP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval measured at the time of the wholesale power supplier's monthly peak demand, but not less than 100% of the average of the consumer's CP demand, as adjusted for power factor, established during the previous months of June, July, August and September.

<u>The Energy Charge</u> is for the delivery of energy and shall be applied to all kWh usage during the billing period. Such energy charges will be adjusted periodically to reflect Cooperative's costs of purchased power in accordance with the Power Cost Adjustment tariff (Section 204.1).

D. Billing Adjustments

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

- 1. Customer Charge plus the NCP Demand Charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
- 2. Any applicable billing adjustments; and
- 3. Any applicable service fees.

F. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer. The power factor shall never be leading.

G. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.

2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. <u>Terms of Payment</u>

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

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203.9 <u>Irrigation – Time of Day</u>

A. <u>Availability</u>

Available to all Irrigation customers with 15 horsepower (HP) or greater motor load. Irrigation must be used for the growing of commercial crops. This rate is only available with a minimum one (1) year contract.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

Power <u>Supply</u>	SPEC <u>Distribution</u>	<u>Total</u>
\$1.00	\$100.00 \$4.50	\$100.00 \$5.50
\$12.25 \$0.038127	\$0.00	\$12.25 \$0.038127
	<u>Supply</u> \$1.00	Supply Distribution \$100.00 \$1.00 \$1.2.25 \$0.00

<u>The Customer Charge</u> is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

The On-Peak billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval within the On-Peak Period during the billing period as indicated or recorded by a demand meter and adjusted for power factor as provided herein, but in no event is the On-Peak billing demand less than 80% of the highest On-Peak demand, as adjusted for power factor, established during the prior June, July, August and September.

<u>The On-Peak Period</u> shall be the five (5) hour window beginning at 3:00 pm and ending at 8:00 pm daily during the months of June, July, August and September.

<u>The Energy Charge</u> is for the delivery of energy and shall be applied to all kWh usage during the billing period. Such energy charges will be adjusted periodically to reflect Cooperative's costs of purchased power in accordance with the Power Cost Adjustment tariff (Section 204.1).

D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. Minimum Monthly Charge

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

- 1. Customer Charge plus the NCP Demand Charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
- 2. Any applicable billing adjustments; and
- 3. Any applicable service fees.

F. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer. The power factor shall never be leading.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

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203.10 Cotton Gin - Bundled

A. Availability

Available to all Cotton Gin customers requiring electric utility distribution service from San Patricio Electric Cooperative, Inc. (SPEC) at a single service location within the Cooperative's service area. Customers must negotiate an agreement for service (contract) and select the rate option before starting the ginning season.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

	Power <u>Supply</u>	SPEC <u>Distribution</u>	<u>Total</u>
Customer Charge, per meter Billing kW (June-Sept) Billing kW (Oct-May)	\$41.20 \$0.00	\$245.00 \$7.60 \$7.60	\$245.00 \$48.80 \$7.60
Energy Charge per kWh	\$0.038127	47.55	\$0.038127

The **Customer Charge** is an availability charge for providing electric distribution service and does not include any energy.

The **Demand Charge** for the rate at which energy is used is applied to the maximum kilowatt demand for any period of fifteen consecutive minutes during the billing period as adjusted for power factor.

The **Energy Charge** is for the delivery of energy and shall be applied to all kWh usage during the billing period. Such energy charges will be adjusted periodically to reflect Cooperative's costs of purchased power in accordance with the Power Cost Adjustment tariff (Section 204.1).

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D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. Minimum Monthly Charge

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

- 1. Customer Charge plus the demand charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
- 2. Any applicable billing adjustments; and
- 3. Any applicable service fees.

F. <u>Power Factor Adjustment</u>

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer. The power factor shall never be leading.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. <u>Terms of Payment</u>

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

203.11 Cotton Gin - Coincident Peak

A. Availability

Available to all Cotton Gin customers requiring electric utility distribution service from San Patricio Electric Cooperative, Inc. (SPEC) at a single service location within the Cooperative's service area. Customers, desiring to operate under a "time of day" rate, must negotiate an agreement for service (contract) and select the rate option before starting the ginning season.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

	Power <u>Supply</u>	SPEC <u>Distribution</u>	<u>Total</u>
Customer Charge, per meter NCP Billing kW CP Billing kW	\$6.51 \$31.10	\$245.00 \$9.75 \$0.00	\$245.00 \$16.26 \$31.10
Energy Charge per kWh	\$0.038127	\$0.000000	\$0.038127

<u>The Customer Charge</u> is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

The coincident peak (CP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval measured at the time of the wholesale power supplier's monthly peak demand.

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<u>The Energy Charge</u> is for the delivery of energy and shall be applied to all kWh usage during the billing period. Such energy charges will be adjusted periodically to reflect Cooperative's costs of purchased power in accordance with the Power Cost Adjustment tariff (Section 204.1).

D. Billing Adjustments

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

- 1. Customer Charge
- 2. Any applicable billing adjustments; and
- 3. Any applicable service fees.

F. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer. The power factor shall never be leading.

G. Conditions of Service

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 08/22/2005 EFFECTIVE: 01/01/2006 REVISED: 11/24/2014

203.12 Oil Pumping - Non-Demand

A. Availability

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require up to 49 kVA transformer capacity at a single service location within the Cooperative's service territory. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include but are not limited to pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. <u>Character of Service</u>

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charges:

Customer Charge: \$50.00 per meter

Plus

Distribution System Energy Charge: \$0.0420 per kWh

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

2. Cost of Electricity from STEC:

Cost of Electricity Energy Charge: \$0.0610 per kWh

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D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. Customers with active accounts will pay a minimum to include the SPEC Distribution System Charges plus the minimum Cost of Electricity from STEC.
- 2. A customer disconnecting service under this rate will continue to receive a minimum bill calculated on 75% of the highest kW demand billed under this rate. This minimum will remain in effect until the next September billing month; or
- 3. The amount specified in the contract.

F. Conditions of Service

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

G. <u>Terms of Payment</u>

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 08/22/2005 EFFECTIVE: 01/01/2006 REVISED: 11/24/2014

203.13 Oil Pumping Demand (Bundled)

A. <u>Availability</u>

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require 50 kVA and up to and including 350 kVA of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include, but is not limited to, pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charges:

Customer Charge: \$75.00 per meter

Plus

Distribution System Demand Charge: \$15.85 per billing kW

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

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The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

2. <u>Cost of Electricity from STEC:</u>

Cost of Electricity Demand Charge: \$6.35 per billing kW

Plus

Cost of Electricity Energy Charge: \$0.038127 per kWh

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. The SPEC Distribution System Charges plus the minimum Cost of Electricity from STEC; or
- 2. The amount specified in the contract.

F. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

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203.14 Oil Pumping – Time of Day

A. <u>Availability</u>

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require 50 kVA or more of transformer capacity at a single service location within the Cooperative's service territory. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include, but is not limited to, pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

	Power <u>Supply</u>	SPEC <u>Distribution</u>	<u>Total</u>
Customer Charge, per meter NCP Billing kW On-Peak Billing kW (100% R.) Energy Charge per kWh	\$1.20 \$9.80 \$0.038127	\$200.00 \$8.30	\$200.00 \$9.50 \$9.80 \$0.038127

<u>The Customer Charge</u> is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

<u>The On-Peak Period</u> shall be the five (5) hour window beginning at 3:00 pm and ending at 8:00 pm daily during the months of June, July, August and September.

The On-Peak billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval within the On-Peak Period during the billing period as indicated or recorded by a demand meter and adjusted for power factor as provided herein, but in no event is the On-Peak billing demand less than 80% of the highest On-Peak demand, as adjusted for power factor, established during the prior June, July, August and September.

<u>The Energy Charge</u> is for the delivery of energy and shall be applied to all kWh usage during the billing period. Cost of Electricity from STEC will be adjusted periodically to reflect actual costs of purchased power in accordance with the Power Cost Adjustment tariff (Section 204.1).

D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

- 1. Customer Charge plus the NCP Demand Charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
- 2. Any applicable billing adjustments; and
- 3. Any applicable service fees.

F. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer. The power factor shall never be leading.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 08/22/2005 EFFECTIVE: 01/01/2006 REVISED: 11/24/2014

203.15 <u>Large Oil Pumping</u>

A. <u>Availability</u>

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require 351 kVA and up to and including 999 kVA of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include, but is not limited to, pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Three phase alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charges:

Customer Charge: \$100.00 per meter

Plus

Distribution System Demand Charge: \$13.80 per billing kW

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

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The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$7.60 per billing kW

Plus

Cost of Electricity Energy Charge: \$0.038127 per kWh

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

D. <u>Billing Adjustments</u>

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. The SPEC Distribution System Charges plus the minimum Cost of Electricity from STEC; or
- 2. The amount specified in the contract.

F. <u>Power Factor Penalty</u>

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

G. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 08/22/2005 EFFECTIVE: 01/01/2006 REVISED: 11/24/2014

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203.16 Large Oil Pumping - Coincident Peak

A. <u>Availability</u>

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require 351 kVA to 999 kVA of transformer capacity at a single service location within the Cooperative's service territory. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include, but is not limited to, pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Three phase, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

	Power <u>Supply</u>	SPEC <u>Distribution</u>	<u>Total</u>
Customer Charge, per meter NCP Billing kW Coincident Billing kW Energy Charge per kWh	\$1.75 \$12.33 \$0.038127	\$100.00 \$13.80	\$100.00 \$15.55 \$12.33 \$.038127

<u>The Customer Charge</u> is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein, but not less than 75% of customer's maximum demand established during the previous eleven billing months.

The coincident peak (CP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval measured at the time of the wholesale power supplier's monthly peak demand, but not less than 100% of the average of the demand established by the customer for the ERCOT peak intervals during the months of June, July, August, and September during the twelve billing months ending with the current billing period.

<u>The Energy Charge</u> is for the delivery of energy and shall be applied to all kWh usage during the billing period. Cost of Electricity from STEC will be adjusted periodically to reflect actual costs of purchased power in accordance with the Power Cost Adjustment tariff (Section 204.1).

E. Billing Adjustments

This rate is subject to all billing adjustments.

E. <u>Minimum Monthly Charge</u>

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

- 4. Customer Charge plus the NCP Demand Charge plus the CP Demand Charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
- 5. Any applicable billing adjustments; and
- 6. Any applicable service fees.

F. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

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The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer. The power factor shall never be leading.

G. Conditions of Service

- 6. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 7. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 8. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 9. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 10. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

H. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 07/25/2016 EFFECTIVE: 07/25/2016

REVISED:

203.17 Large Oil and Gas Production-1000 kVa and Greater

A. Availability

Available for oil and gas production and associated customers that require 1000 kVA or greater transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil and gas production and associated customers will include, but are not limited to, pump jacks, transfer pumps, saltwater disposal pumps, pipeline compressors and gas processing plants used in the production and/or delivery of oil and natural gas resources.

This rate is applicable to service at one point of delivery and measured through one meter. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Three phase alternating current, 60 Hertz, at available primary and secondary voltages. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Customer Charge: \$100.00 per meter

Plus

Distribution System Demand Charge: \$10.80 per billing kW

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

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The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

2. Cost of Electricity from STEC:

The cost of power to serve the Customer including but not limited to capacity, delivery, energy, and fuel charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods. The power cost will be calculated using the billing units defined in the same manner as defined in the applicable Wholesale rate to the Cooperative including any ratchet provisions in the wholesale rate. The Customer's billing units for power cost may be adjusted for line losses, as determined by the Cooperative, to calculate the Customer's power cost at the wholesale supplier's metering point to the Cooperative.

Unless otherwise specified in the agreement for service, line losses shall be 6.83% for distribution primary service and 9.83% for distribution secondary service. Billing units will be adjusted for line losses by dividing the metered billing units by one minus the line losses. For example, the line loss adjusted billing unit for 1000 kW at distribution primary would be:

$$\frac{1,000 \, kW}{1 - .0683} = \frac{1,000 \, kW}{.9317} = 1,073.31 \, kW$$

D. Billing Adjustments

This rate is subject to all billing adjustments as referred to in Section 204, "Billing Adjustment" except for Power Cost Recovery Factor (PCRF). PCRF will not be applied under this rate option.

E. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

- 1. The SPEC Distribution System Charges plus the minimum Cost of Electricity from STEC; or
- 2. The amount specified in the contract.

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F. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 98 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 98 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

G. Primary Service

If Consumer owns, operates and maintains all the facilities for receiving the service at the supplied voltage, the SPEC Distribution System Demand Charge shall be reduced 3%.

H. Conditions of Service

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

I. <u>Terms of Payment</u>

Terms of Payment specified in the Agreement for Service shall apply; if not specified, the following shall apply.

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 08/29/2011 EFFECTIVE: 08/29/2011 REVISED: 11/24/2014

203.18 Security Light

A. <u>Availability</u>

Available to customers, requesting private area lighting service, within the Utility's service area. Service will be provided under the Cooperative's Service Rules and Regulations. Lighting options available are listed below. Mercury vapor lighting will no longer be available after July 1, 2001.

This rate is applicable to service at one point of delivery. This rate is not available for temporary, shared, or resale service.

B. Character of Service

Single phase lighting, at 60 Hertz, 120 Volts. Frequency and voltage shall be subject to reasonable variation. Where service of the type desired by the customer is not already available at the point of delivery, additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

C. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

1. Lamp Charges:

100 Watt High Pressure Sodium @\$17.00 per light Energy usage of 60 kWh per month. (Includes existing mercury vapor lights under 200 watts until phased out)

2. <u>Cost of Electricity from STEC:</u>

The above lamp charges include \$0.052180 per kWh for base rate STEC power cost.

D. Billing Adjustments

This rate is subject to all billing adjustments.

E. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

F. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 08/22/2005 EFFECTIVE: 01/01/2006 REVISED: 11/24/2014

203.19 Small Power Production and Cogeneration Under 100 kW

A. <u>Small Power Production and Cogeneration</u>

This tariff shall apply to the interconnection and parallel operation of all qualifying power generating installations having a design capacity of 100 kW or less as well as to electric utility service to such generating installations. If any part of these sections shall be in conflict with any other provision of this tariff, these sections shall control. By agreement, the Cooperative and Producer may establish additional or different terms, conditions, or rates for the sale or purchase of electricity.

B. Obtaining Interconnection

Any person owning or operating a qualifying power generating installation (hereinafter "Producer") and desiring to interconnect with the Cooperative's system shall:

1. Comply with Tariff

Apply for interconnection, provide an easement satisfactory to the Cooperative, and otherwise comply with the tariff of the Cooperative.

2. Provide Information

At least sixty (60) days in advance of interconnection, Producer shall submit a plan showing the electric design of the generation installation including equipment for interconnection with the Cooperative's system. Producer shall also provide such additional information as may be required by the Cooperative. In the event Producer's plan involves the use of non-standard equipment or design techniques, the Cooperative may require such plan be approved by a registered professional engineer and the Producer shall pay all fees in obtaining this approval. Any review or acceptances of such plan by the Cooperative shall not impose any liability on the Cooperative and does not guarantee the adequacy of Producer's equipment to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost effectiveness, safety, durability, or reliability of generating installations.

3. Pay for Extension of Cooperative's Facilities

Comply with conditions for extension of the Cooperative's distribution system as may be determined by the Cooperative in accordance with the Cooperative's Line Extension Policy, Section 313, and other operating policies.

If an extension of Cooperative's distribution system is required for sale or receipt of electric energy to or from a generating installation, whether or not in conjunction with another use, the Cooperative shall exercise prudent jurisdiction in determining the conditions under which such extension will be made. Each case shall be viewed individually considering:

- (a) cost to provide service,
- (b) longevity of the load,
- (c) annual load factor,
- (d) possibility of other loads developing along the proposed line extension.
- (e) longevity, capacity, and dependability of power to be received by the Cooperative,
- (f) anticipated annual revenue, and
- (g) compatibility with planned system improvements.

The Cooperative may require Producer to pay a nonrefundable contribution in aid of construction, and may require a contract term of up to five years.

4. Provide Liability Insurance

Furnish a certificate from Producer's insurance carrier showing satisfactory liability insurance, including contractual liability insurance covering indemnity agreements which insures Producers and names Cooperative as additional insured against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation, and maintenance of the Producer's generating equipment. The amount of such insurance coverage shall be at least \$1,000,000 per occurrence. The certificate shall also provide that the insurance policy will not be changed or canceled during its term without thirty (30) days written notice to the Cooperative.

5. Sign Contract

Sign and delivery to the Cooperative an Agreement for Interconnection and Parallel Operating of a Cogeneration or Small Power Production Installation; 100 kW or Less, the form of which has been approved by the Public Utility Commission and is contained in these tariffs.

6. Complete Construction

Construct the power generating installation and install a disconnect switch and other protective equipment as may be required by the Cooperative to protect its personnel, facilities, and operations.

7. Comply with Laws

Comply with applicable Federal, state, and local laws, ordinances, and regulations applicable to power generating installations.

8. Notify Cooperative

Notify the Cooperative in writing at least thirty (30) days in advance of energizing the small power generating installation and permit the Cooperative to inspect and test protective equipment.

9. Eliminate Conditions Preventing Interconnection

In the event that it comes to the attention of the Cooperative that there are conditions preventing safe interconnection and proper parallel operating, Cooperative shall notify Producer and Producer shall not interconnect and/or initiate parallel operation until such conditions are corrected and Producer has provided at least ten (10) days written notice to the Cooperative.

The foregoing are conditions precedent to any obligation of the Cooperative to interconnect or provide any form of electric utility service.

C. <u>Parallel Operation</u>

1. Installation

With the exception of only the Cooperative's Meter(s), the Producer shall own and be solely responsible for all expense, installation, maintenance, and operation of the power generating installation at and beyond the point where Producer's conductors contact Cooperative's conductors.

The Producer's generating installation shall be designed and installed in accordance with applicable codes, regulations, and prudent engineering practices.

2. Self-Protected Generating Installation

The Producer will furnish, install, operate, and maintain in good order and repair all equipment necessary for the safe operating of the power generating installation in parallel with the Cooperative's electric distribution system. The equipment will have the capability to both establish and maintain synchronism with the Cooperative's system and to automatically disconnect and isolate the generating installation from the Cooperative's system in the event of any outage of the Cooperative's system or a malfunction of the power generating installation.

The Producer's power generating installation will also be designed, installed, and maintained to be self-protected from normal and abnormal conditions in the Cooperative's electric distribution systems. The conditions for which the power generating installation shall be self-protected will be compatible with the Cooperative's system protection arrangements and operating policies. Specialized protective functions may be required by the Cooperative when, in the sole judgment of the Cooperative, the particular generating installation characteristics and/or distribution system characteristics so warrant.

3. Quality of Service

Producer's generating installation will generate power at the nominal voltage of the Cooperative's electric distribution system at the Producer's delivery point plus or minus five percent (5%) at the nominal system frequency of 60 Hz plus or minus one-tenth (1/10) Hz. Producer shall generate at a power factor that is as near one hundred percent (100%) as is practicable. In the event that the power factor is less than ninety-five percent (98%) lagging or leading, the Producer will provide factor correction within ten percent (10%) of unity or reimburse the Cooperative for the cost of any necessary correction.

The overall quality of the power provided by Producer including, but not limited to, the effects of harmonic distortion, voltage regulation, voltage flicker, switching surges, and power factor, will be such that the Cooperative's electric distribution system is not adversely affected in any manner. In the event that adverse effects are caused in whole or in part by Producer's power generating installation, the Producer will correct the cause of such effects or reimburse the Cooperative for the cost of any required correction.

4. Safety Disconnect

The Producer, or at the Producer's option, the Cooperative, shall provide and install, at the Producer's expense, a visible break disconnect switch. The disconnect switch will be located so as to be readily accessible to Cooperative personnel in a location acceptable to both the Producer and the Cooperative. It shall be the type of switch which can be secured in an open position by the Cooperative padlock. The Cooperative shall have the right to lock the switch open whenever, in the judgment of the Cooperative:

- (a) it is necessary to maintain safe electric operating or maintenance conditions;
- (b) the Producer's power generating installation adversely affects the Cooperative's electric distribution system;
- (c) there is a system emergency or other abnormal operating condition which warrants disconnection;
- (d) the Producer fails to maintain acceptable liability insurance;
- (e) the Producer fails to reimburse the Cooperative for costs incurred as a result of the Producer's power generating installation.

The Cooperative reserves the right to operate the disconnect switch for the protection of the Cooperative's system even if it affects Producer's power generating installation. In the event that the Cooperative opens and closes the disconnect switch it shall not be responsible for energizing or restoring parallel operation of the generating installation. The Cooperative will make reasonable efforts to notify the Producer in the event the disconnect switch has been operated. The Producer will not bypass the disconnect switch at any time for any reason.

5. Access

Persons authorized by the Cooperative will have the right to enter the Producer's property for the purpose of operating or inspecting the disconnect switch or metering. Such entry onto the Producer's property may be without notice. If the Producer erects or maintains locked gates or other barriers, the Producer will furnish the Cooperative with convenient means to circumvent the barrier for access to the disconnect switch and meter(s).

6. Modifications of Cooperative System

In the event that it is necessary at the time of initial interconnection or at some future time for the Cooperative to modify its electric distribution system in order to purchase or continue to purchase Producer's output, the Producer will reimburse the Cooperative for all just and reasonable costs of modifications which are allocable to the Producer's small power generating installation. The modifications may include, but are not limited to, special interconnection equipment, protective devices, control devices, or upgrading of distribution system components.

7. Liability for Injury and Damages

Producer assumes full responsibility for electric energy furnished to him at and past the point of interconnection and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for both injuries to persons, including death resulting therefrom, and damages to property occurring upon the premises owned or operated by Producer arising from electric power and energy delivered by Cooperative or in any way arising directly or indirectly from Producer's generating installation except:

- (a) when the negligence of Cooperative or its agent(s) was the sole proximate cause of injuries, including death there from, to Producer or to employees of Producer or in the case of a residential Member/Producer, to all members of the household; and
- (b) as to all other injuries and damages, to the extent that injuries or damages are proximately caused by or result in whole or in part from
 - (i) any negligence of Cooperative or its agent(s) independent of and unrelated to the maintenance of Cooperative's facilities or any condition on Producer's premises; or
 - (ii) the breach by Cooperative of any provision of any contract regarding purchase and/or sale of electric energy or service between Cooperative and Producer.

The Cooperative shall not be liable for either direct or consequential damages resulting from failures, interruptions, or voltage and wave form fluctuations occasioned by causes reasonably beyond the control of the Cooperative, including, but not limited to, acts of God, public enemy, sabotage and/or vandalism, accidents, fire, explosion, labor troubles, strikes, order of any court or judge granted in a bona fide adverse legal proceeding or action, or any order of any commission, tribunal or governmental authority having jurisdiction.

For claims resulting from failures, interruptions, or voltage and wave form fluctuations occasioned in whole or in part by the negligence of the Cooperative or its agent(s), the Cooperative shall be liable only for that portion of the damages arising from personal injury, death of persons, or costs of necessary repairs to or reasonable replacement of electric equipment proximately caused by the negligent acts of the Cooperative or its agent(s). The Cooperative shall not be liable in any event for consequential damages.

8. Metering

If the output of the Producer's generating installation is to be purchased by the Cooperative, it will be measured by meters and metering configurations as required for the metering option chosen by the Producer. Under one option, the Producer would sell net output in excess of Producer's on site consumption (See 203.20), and under the other option Producer would sell total output without offsetting any of Producer's on site consumption. Any necessary meter(s) or meter modifications in addition to one standard service meter will be installed, maintained, and operated by the Cooperative at the Producer's expense. A connection will be provided for the meter(s) at the Producer's expense in a location that is acceptable to both the Cooperative and the Producer.

The metered output of Producer's generating installation will be read by the Cooperative.

The meter(s) will, by comparison with accurate standards, be tested and calibrated as often as necessary. The Producer or the Cooperative may reasonably request such test, and shall be given notice of not less than five (5) working days when such tests are to be made. Both the Producer and the Cooperative will have the right to be present at such tests.

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If a meter is found to be inaccurate, it shall be restored to an accurate condition or replaced. If the tests disclose that no unacceptable inaccuracies exist in the meter(s), then the party requesting the tests shall bear the expense of the tests. A report of the results of any tests shall be furnished promptly by the party making such tests to the other party. Any meter(s) registering a deviation of not more than two percent (2%) from normal shall be deemed accurate. The readings of any meter(s) which have been inaccurate shall be corrected according to the percentage of inaccuracy as determined by the test for a period of no more than ninety (90) days prior to the tests.

If any meter fails to register for any period, the facility output during such period shall be estimated in the best manner possible as agreed upon by the Cooperative and the Producer.

9. Notice of Change in Installation

Producer will notify the Cooperative in writing fifteen (15) days in advance of making any change affecting the characteristics, performance, or projection of the generating installation. If it comes to the Cooperative's attention that the modification will create or has created conditions which may be unsafe or adversely affect the Cooperative's system, then it shall notify Producer and Producer shall immediately correct such condition.

10. Insurance

Producer shall continue to maintain insurance as required by the Cooperative prior to interconnection and shall provide proof of such insurance to the Cooperative at least annually.

D. Sales to Producer

Producer's rate class shall be designated by the Cooperative in accordance with the availability and type of service provisions in its rate schedules for all services including Backup, Supplementary, Interruptible, Maintenance and Net Metering (See 203.20).

E. <u>Purchase from Producer</u>

1. Rate

Where the option selected by the Producer is to sell the net output of the generator (See 203.20), and/or where the option selected by the Producer is for the Producer to sell the total output of the generator, the Cooperative will pay Producer for all power purchased at the following rates:

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- (a) Capacity No payment except by separate firm power contract between the Producer and the Cooperative.
- (b) Energy The metered kWh output from the Producer will be purchased at the Cooperative's total energy and fuel cost divided by the total kWhs purchased as calculated from the most recent wholesale power bill.

There will be, in addition to the minimum monthly bill requirements under the applicable service rate schedule(s), a customer service charge of \$12.00 per month for metering and billing.

2. Refusal to Purchase

The Cooperative may, at certain times and as operating conditions warrant, reasonably refuse to accept part or all of the output of the Producer's facility. Such refusal shall be based on system emergency constraints, special operating requirements, adverse effects of the Producer's facility on the Cooperative's system, or violation by the Producer of the terms of the Agreement for Interconnection and Parallel Operation of Cogeneration and Small Power Installations, 100 kW or less.

F. Definitions

- 1. Power Generating Installation, Generating Installation shall mean a small power production or cogeneration facility which is a "qualifying facility" under Subpart B of the Federal Energy Regulatory Commission's Regulations under Section 201 of the Public Utility Regulatory Policies Act of 1978, including any generator and associated equipment, wiring, protective devices, or switches owned or operated by Producer.
- 2. Producer means any person, firm, corporation, partnership, or other entity owning or operating a power generating installation.

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203.20 <u>Distributed Generation and Net Metering Rate Rider</u>

A. Application

Applicable to Qualifying Distributed Generation Facilities smaller than 700 kW of connected generation, rated to produce an amount of electricity less than or equal to the amount of electricity the Customer for whom the DG is installed is reasonably expected to consume and connected in parallel operation to the Cooperative's electric system in accordance with the Cooperative's service rules and regulations and the Cooperative's *Distributed Generation Procedures and Guidelines Manual for* Members (available on request). This rate is not applicable to temporary, shared, or resale service.

The Customer may connect multiple Distributed Generation Facilities behind a single Cooperative meter to the Customer, but the total of the connected maximum rated output shall not exceed the tariff limit. This rate is applicable to service supplied at one point of delivery.

If any part of these sections shall be in conflict with any other provision of this tariff, these sections shall control. By agreement, the Cooperative and Customer may establish additional or different terms, conditions, or rates for the sale or purchase of electricity.

B. Sales to Customer

Sales to a Distributed Generation Customer shall be consistent with the applicable retail rate tariff established by the Cooperative and in use by the Customer as if there were no Distributed Generation installation. In addition to all other charges, the Cooperative may bill the Member for any additional facilities charges as determined by the Cooperative and appended to the Interconnection Agreement.

C. DG – Residential Net Metering 20 kW or Less

1. Applicable to Distributed Generation Facilities that are Qualifying Facilities rated to produce an amount of electricity less than or equal to the amount of electricity the Customer for whom the DG is installed is reasonably expected to consume but not greater than 20 kW and connected in parallel operation to the Cooperative's electric system in accordance with the Cooperative's service rules and regulations and the Cooperative's Distributed Generation Procedures and Guidelines Manual for Members (available on request). This rate is not applicable to temporary, shared, or resale service.

2. Net metering is defined as measuring the difference between the electricity supplied by the Cooperative and the electricity generated by the Customer's generating installation. The Cooperative may accomplish net metering by installing meters to measure all energy supplied by the Cooperative and all energy supplied by the Customer in excess of the Customer's on-site consumption.

- 3. For all Customers billed under the provisions of this tariff on or before October 1, 2016, the following shall apply: When the energy supplied by the Customer exceeds the energy supplied by the Cooperative during a billing period, the excess energy shall be banked for application to the next month's billing as energy supplied by the Customer for Customer's onsite consumption. The banked kWh balance shall be recalculated each month to recognize the use of banked energy and additions to banked energy. The banked kWh balance, if any, shall carry to the next month through the December billing period at which time the banked kWh balance will be reset to zero (0) kWh with no compensation for any unused banked excess energy. Banking of excess energy will begin anew with the January billing period. The provisions of this paragraph shall terminate on the earlier of (i) the sale, transfer or retirement of the Customer's generating installation, or (ii) July 31, 2026, and upon the termination of the provisions of this paragraph the provisions in the following Paragraph 4 shall apply.
- 4. For all Customers that do not meet the Customer requirements of Paragraph 3, above, the following shall apply: There will be no banking of energy. When the energy supplied by the Customer exceeds the energy supplied by the Cooperative during any billing period, the Customer shall be compensated for the excess energy at the Cooperative's avoided cost of energy, which may be provided monthly by the Cooperative's power supplier, or may be calculated periodically by the Cooperative. This shall typically not be the Cooperative's total cost of energy, but rather the cost of energy estimated by the Cooperative to have been avoided by reason of the Customer's generating installation.
- 5. The greater of the monthly charges and/or minimum bill of the retail rate schedule shall be billed by the Cooperative.

D. DG – All Others

- 1. Determination of billing shall be accomplished by metering that can identify both all energy supplied by the Cooperative and all energy supplied by the Customer in excess of the Customer's on-site consumption.
- 2. For energy produced in excess of Customer's on-site consumption, the Customer shall be compensated at the Cooperative's avoided cost of energy which will be provided monthly by the Cooperative's power supplier.

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- 3. The Cooperative may, at its sole discretion, purchase energy from non-qualifying Customers on a non-discriminatory basis under the terms of this section.
- 4. The Cooperative shall not be required to make any purchases that will cause the Cooperative to no longer be in compliance with any applicable contracts or all-power contract requirements with its power supplier(s) unless required by law or state regulation.
- 5. The Cooperative shall compensate the DG Customer by direct payment or bill credit on a monthly basis for the energy supplied by the DG Customer to the Cooperative.
- 6. The Cooperative will pay DG for all power purchased at the following rates:

Capacity – No payment except by separate firm power contract between the DG and the Cooperative.

Energy – The metered kWh output from the DG will be purchased at the Cooperative's total energy and fuel cost per kWh purchased as calculated from the Cooperative's most recent wholesale power bill.

E. <u>Customer Charge DG</u>

For additional metering and billing costs

For DG of 10 kW or less @ \$ 12.00 per meter per month For DG greater than 10 kW @ \$ 40.00 per meter per month

F. Data Access – Communications Links DG

In addition to all other charges in the Customer's tariff and this rider, the Customer will provide the Cooperative and/or its power supplier, at the Customer's expense, a communications link, as approved at the sole discretion of the Cooperative and/or its power supplier, for remotely obtaining meter readings at a time or times of the month as determined at the Cooperative's sole discretion.

G. Meter Reading Charge DG

If Cooperative personnel or agents must read the DG Customer meter in an area in which the Cooperative normally reads meters remotely, the following charge shall apply:

Monthly Meter Reading Charge @ \$25.00 per meter per month

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H. Agreements

An Interconnection Agreement by and between the Customer and the Cooperative shall be required.

APPROVED: 11/23/2009 EFFECTIVE: 10/01/2016 REVISED: 8/22/2016 SECTION: RATES AND CHARGES Page 1 of 4

203.21 Generation Resource – Standby and Auxiliary Delivery Service

A. Application

Applicable to all Generation Resource customers taking the type of service described in this rate schedule. Service will be furnished under this rate schedule subject to the established rules and regulations of the Cooperative covering this type of service, including all applicable billing adjustments. All service is supplied at one delivery point and taken through a single meter for auxiliary service to the Customer. In this rate schedule, "Generation Resource" refers to facilities that are used for generating electricity, including but not limited to wind, solar, nuclear, hydro, coal and lignite, combined cycle, simple cycle, gas steam, and diesel. Customer's Generation Resource may be operated in parallel with Cooperative's system in accordance with the Cooperative's parallel generation and interconnection requirements, provided Customer installs such protective equipment as Cooperative may reasonably require to protect both Customer's equipment and Cooperative's equipment in the event of a malfunction of either system.

This service is available only if the Cooperative's existing facilities are adequate or if adequate facilities can be built or rebuilt, at Customer's expense, to provide such service, and if service to Customer will not, in the Cooperative's sole judgment, impair the Cooperative's ability to serve the requirements of its other customers at any time.

The customer agrees to assume liability for any and all damages as a result of parallel operation to the extent attributable to the customer's generation resource and as further provided in the Cooperative's parallel generation and interconnection requirements.

B. Type of Service

- 1. Three-phase retail service at transmission level voltage.
- 2. Retail service to the Customer through a Cooperative Wholesale Delivery Point.

C. <u>Monthly Rate</u>

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period the Customer shall be obligated to pay the following charges:

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1. SPEC Distribution System Charges:

Customer Charge: \$500.00 per meter

NCP Demand Charge: \$1.50 per NCP Billing kW

The non-coincident peak (NCP) billing demand shall be the highest of the following:

- The maximum kilowatt demand for any period of ERCOTsettlement interval (currently 15 consecutive minutes) during the billing period, as indicated or recorded by a demand meter and adjusted for power factor,
- b. The maximum NCP kW established in the previous eleven (11) billing periods; or
- c. The contract capacity specified in the Agreement for Electric Service between the Customer and the Cooperative.

2. Cost of Electricity from STEC:

An amount equal to the total power supply cost incurred by the Cooperative in providing service to the Customer.

D. <u>Minimum Charge</u>

The minimum monthly charge shall be the greater of the amount as set forth in the Agreement for Electric Service referenced in 2(c) above, or the Basic Service Charge plus NCP Demand Charge. POWER SUPPLY CHARGES DO NOT apply toward fulfilling the minimum monthly charge.

E. Billing Adjustments

This rate is subject to all applicable billing adjustments, with the exception of the Power Cost Recovery Factor adjustment.

F. Agreement

An Agreement for Electric Service for a specified term, a specified contract capacity, and required contribution in aid of construction of additional facilities, if applicable, will be required by the Cooperative. The Cooperative will supply service under this rate up to but not exceeding the contract capacity amount stated in the Agreement for Electric Service. This rate schedule may be changed by the Cooperative's board of directors and service hereunder is subject to the Cooperative's tariff for electric service.

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G. <u>Conditions of Service</u>

- 1. An Agreement for Electric Service for a specified term, a specified contract capacity, and required contribution in aid of construction of additional facilities, if applicable, will be required by the Cooperative.
- 2. The Cooperative will supply service under this rate up to but not exceeding the contract capacity amount stated in the Agreement for Electric Service.
- 3. All wiring, pole lines and other electrical equipment beyond the metering point shall be considered the system of the Customer and shall be furnished and maintained by the Customer.
- 4. The Cooperative shall not be responsible for the purchase of any power generated by the Customer.
- 5. Customer shall be responsible for all termination fees, penalties, and any other costs incurred by the Cooperative associated with the power supply for service to the Customer.
- 6. Customer shall be responsible for all costs incurred by the Cooperative in arranging for special wholesale power supply on behalf of the Customer
- 7. The Customer will be subject to all transmission-related cost responsibility incurred by the Cooperative directly associated with providing service to the Customer, even if such cost recovery should occur after the Customer has terminated service. To the extent that such cost is not included in the Monthly Rate, Customer shall be responsible for the incremental transmission cost.
- 8. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction, or if none, by the Cooperative's board of directors in accordance with applicable laws.
- 9. All other conditions of service hereunder are subject to the Cooperative's tariff for electric service.

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H. <u>Terms of Payment</u>

Terms of Payment specified in the Agreement for Service shall apply; if not specified, the following shall apply.

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

APPROVED: 07/27/2009 EFFECTIVE: 07/27/2009 REVISED: 11/24/2014 SECTION: RATES AND CHARGES Page 1 of 2

203.22 <u>Rider – Burned Veterans' Discount Program</u>

A. Application

The Burned Veterans' Discount Program Rider is available to qualified 203.1 Residential electric rate customers who meet the following qualifications.

B. Qualification

In order to be eligible, all the following conditions must be met:

- 1. Applicant must be a military veteran who has a significantly decreased ability to regulate his or her body's core temperature because of severe burns received during armed conflict or in combat.
- 2. Applicant must provide confirmation from a military medical facility, such as San Antonio Medical Military Center (SAMMC), that Applicant has a significantly decreased ability to regulate his or her body's core temperature due to severe burns.
- 3. The Applicant must provide medical confirmation every 12 months to continue participation in the Program.
- 4. The discount may only be used on the Applicant's energy account at their primary residence where they currently reside. The discount will apply even if the veteran is not the customer of record.

C. Discount

The Burned Veterans' Discount program provides for a discount up to \$90.00 per month to qualified 203.1 Residential electric rate customers for the seven (7) billing months of April to October of every year.

The monthly bill will be calculated in accordance with the 203.1 Residential electric rate tariff. The discount shall not result in a credit balance to the monthly bill of any customer receiving the discount. The discount is only valid on one electric account per applicant.

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D. Agreement

A one-page written application for the program must be completed by the account holder and the certifying physician. If the Applicant meets the above-stated conditions, Applicant shall complete the Burned Veterans' Discount Application - Part A. Part B must be completed and submitted by a physician of a military medical facility indicating that the Applicant meets Section B. Qualification, Requirement (1).

E. <u>Conditions of Service</u>

All provisions of the 203.1 Residential tariff and the Cooperative's current rules and regulations shall apply to the Burned Veterans' Discount Program.

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203.23 Non-Standard Meter Rider – Optional (NSMR)

A. Application

Applicable to customers who request the Cooperative to install a non-standard non-communicating meter instead of the Cooperative's standard communicating meter and take service under a rate schedule for which all information necessary to administer the rate is available from a non-standard meter. An advanced meter opt out agreement is required for use of this rider.

B. Rate

In addition to all charges and provisions of the rate schedule otherwise applicable to the customer, the following charges shall apply to the customer:

NSMR Enrollment Fee: \$120.00 (this is a one-time charge)

NSMR Monthly Fee: \$ 45.00

The first billing following installation of the non-standard meter shall include the NSMR Enrollment Fee plus the NSMR Monthly Fee.

C. Special Conditions

- 1. The Cooperative will have the right of access to the customer's premises for meter reading and for any purpose normally connected to providing electric service. Denial of access will result in termination of the customer's participation in this rider and the Cooperative will install its standard communicating meter.
- 2. If the customer requests NSMR for multiple meters, the NSMR fees are applicable to each meter.
- 3. In the event a replacement non-standard meter is not available for a non-standard meter requiring service, the Cooperative may temporarily install a standard communicating meter in order to maintain service to the premise and the NSMR charges shall continue to apply.

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REVISED:

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203.24 <u>Idle Services</u>

A. <u>Availability</u>

Available to customers where the Cooperative's distribution facilities at the customer's premise are to remain disconnected for periods greater that three (3) months. Under this rate the Cooperative will continue to maintain and operate its distribution facilities. Service will not be retired and can be reinstated under the applicable rate at the customer's request.

Energy will not be delivered under this rate.

B. Rate

The billing period shall be approximately one-twelfth (1/12) of a year, but not necessarily a calendar month. Each billing period, the Member shall be obligated to pay the following charges:

SPEC Distribution System Charges:

The SPEC Distribution System Charge will be the charges under the rate applicable to the customer prior to taking Idle Service.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

C. Billing Adjustments

This rate is subject to all billing adjustments.

D. <u>Minimum Monthly Charge</u>

The minimum charge per billing period shall be the higher of the following:

- 1. The minimum SPEC Distribution System Charge, or
- 2. The amount specified in the contract.

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E. <u>Conditions of Service</u>

- 1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
- 2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
- 3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
- 4. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more and if the customer does not elect to pay the SPEC Distribution System Charge under the Idle Service tariff.
- 5. This rate may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's Board of Directors.

F. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

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204. Billing Adjustment

The Cooperative shall adjust all bills in accordance with the following adjustments, if applicable:

204.1 Power Cost Recovery Factor (PCRF)

The Cooperative shall adjust all bills other than those served under rate schedules providing for the direct recovery of power cost charges or credits in accordance with the following adjustment. The Utility shall, if the purchased power expense is increased or decreased above or below the base purchased power cost, flow through to the users such increases or decreases. Purchased power expense shall include cost of power, ancillary services and competitive retail services provided by the power supplier.

The utility shall, if the purchased power expense (excluding the expense for those served under rate schedules providing for the direct recovery of power cost charges or credits) is increased or decreased above or below the average base purchased power cost of \$0.070000 per kWh sold, flow to all users such increases or decreases.

204.2 <u>Tax Adjustments</u>

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering service, or any other object or event incidental to the rendition of the service.

204.3 Gross Receipts Fees and Franchise Taxes

The Cooperative may increase each Member's bill for service rendered within the incorporated limits of a municipality that imposes a gross receipts adjustment or franchise tax upon the revenues received by the Cooperative from its Members.

204.4 State Agencies

Billing is made in accordance with Public Utility Commission Substantive Rule 25.29. Notwithstanding any provisions in the rate schedules with respect to when bills become past due and imposing an increased amount if bills are not paid within a specified time, all bills rendered to "State Agencies," as that terms is defined in Article 601f, V.A.T.S., shall be due and shall bear interest if overdue as provided in said Article 601f.

APPROVED: 08/22/2005 EFFECTIVE: 01/01/2006 REVISED: 11/24/2014 SECTION: RATES AND CHARGES Page 1 of 5

205. Services and Charges

205.1 Trip Fees

As set forth below, the following charges are applicable to recover costs incurred by the Cooperative from persons causing or benefiting from the services.

A. Connect Fee with New Construction

A fee of \$100.00 will be charged for connecting a service at customer's premises when electric distribution utility facilities must be constructed. Such connection shall be made only during normal business hours. Normal business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays.

B. Connect Fee with Existing Facilities

1. On-Site

A fee of \$55.00 will be charged for re-connecting an existing service (when there are electric distribution utility facilities) at customer's premises requiring Cooperative personnel on-site. Such connection shall be made only during normal business hours. Business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays.

If the customer requests reconnection after business hours requiring Cooperative personnel on-site, the reconnect fee required will be \$200.00. The customer will be advised of the applicable fee before the connection is made.

2. Remote

A fee of \$15.00 will be charged for re-connecting an existing service (when there are electric distribution utility facilities) at customer's premises via communicating meter with remote connect/disconnect capabilities. Such connection shall be made only during normal business hours. Business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays.

If the customer requests reconnection after business hours, the reconnect fee required will be \$22.50. The customer will be advised of the applicable fee before the connection is made.

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C. Collection Fee

A fee of \$75.00 will be charged if Cooperative personnel are dispatched to a customer's premises for the purpose of collecting payment on a delinquent account. Accounts subject to payment guarantees made by the Community Action Council of South Texas or other authorized Comprehensive Energy Assistance Program agencies (the "Agency") will be subject to terms and conditions specified in the "Vendor Agreement" by and between the Cooperative and the Agency.

D. Reconnect Fee for a Delinquent Account

1. On-Site

If service is discontinued because of non-payment of a delinquent account, a reconnect fee of \$75.00 will be charged to reconnect services requiring Cooperative personnel on the customer's premises during normal business hours. If the customer requests reconnection after business hours, the reconnect fee charged will be \$200.00. Normal business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays. The customer will be advised of the applicable fee before the reconnection is made. Accounts subject to payment guarantees made by the Community Action Council of South Texas or other authorized Comprehensive Energy Assistance Program agencies (the "Agency") will be subject to terms and conditions specified in the "Vendor Agreement" by and between the Cooperative and the Agency.

2. Remote

If service is discontinued because of non-payment of a delinquent account, a reconnect fee of \$15.00 will be charged to reconnect services via communicating meter with remote connect/disconnect capabilities during normal business hours. If the customer requests reconnection after business hours, the reconnect fee charged will be \$22.50. Normal business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays. The customer will be advised of the applicable fee before the reconnection is made. Accounts subject to payment guarantees made by the Community Action Council of South Texas or other authorized Comprehensive Energy Assistance Program agencies (the "Agency") will be subject to terms and conditions specified in the "Vendor Agreement" by and between the Cooperative and the Agency.

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E. Intermittent Service Disconnect Fee

When service is disconnected to an intermittent customer a \$55.00 disconnect charge shall be collected. This charge is to recover a portion of the cost of disconnecting the service. An Intermittent Customer is defined as "a customer that requires a connect and disconnect for the same customer, at the same location, within a twelve (12) month period".

F. Monthly Meter Reading Fee

The Cooperative is responsible for reading all meters used to measure and bill energy usage. The Cooperative uses enhanced metering to acquire meter readings remotely via radio communication. A customer opposed to enhanced metering may choose to "opt out" of the automated metering program under the provisions and conditions of the rate tariff 203.7 Non-Standard Meter Rider – Optional (NSMR) which requires a one-time enrollment fee and a monthly fee.

Any member who deliberately obstructs communications to an enhanced meter will also be assessed a monthly fee of \$45.00.

G. False Call for Repair Services or Outages

When a customer, member or non-customer calls for electric distribution utility service during normal business hours and the trouble or problem is on the customer's side of the point of delivery, a False Call for Service fee of \$90.00 will be charged. If the customer requests service after normal business hours, the False Call for Service Fee will be \$200.00. Business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays. The customer will be advised of the applicable fee before the service call is initiated.

205.2 Transfer Fee

A \$15.00 transfer fee will be charged when a customer wishes to establish or transfer service locations where there is an active meter as of the reading date at the service location. The Cooperative will not make a trip to the service location and the transfer will be done on the meter reading date and through an office procedure.

205.3 Returned Check Fee

A fee of \$30.00 will be charged to the customer's account for checks issued to the Cooperative, which are returned by the bank unpaid. This charge will apply to all checks issued payable to the Cooperative.

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205.4 Meter Test Fee

When a customer requests a meter test and the meter tests within acceptable limits a meter test fee of \$60.00 will be charged. Acceptable limits are defined as within 2% fast or 2% slow. No charge will be applied if the meter is found to be operating greater than 2% fast. An adjustment will be made to the account to reflect the meter test results if the meter is found to be operating outside the acceptable limits.

205.5 Meter Tampering Charge

When the meter seal has been broken or when evidence of meter tampering has occurred, a charge of \$150.00 per meter for the first offense and \$300.00 per meter for each subsequent offense will be made. In addition to the above charges, the Cooperative shall be entitled to reimbursement from the customer for (a) the cost of repairing and/or replacing damaged equipment and (b) the estimated loss of revenue to the Cooperative resulting from the electric energy diverted as a result of the meter tampering. The rate schedule applicable to the customer's service shall be used to compute the revenue loss.

205.6 Repair of Damages to Electric Facilities

When a customer, member or non-customer does damage to the electric distribution utility equipment or facilities of the utility, the repairs will be charged at the Cooperative's current cost of material, labor and overheads as applicable.

205.7 Late Payment Fee for Delinquent Accounts

A 3% late payment fee will be charged to all accounts with a current bill that is past due. The late payment fee will be applied (3) three days after the due date stated on the original billing and will only be applied to the current month's unpaid balance. Accounts subject to payment guarantees made by the Community Action Council of South Texas or other authorized Comprehensive Energy Assistance Program agencies (the "Agency") will be subject to terms and conditions specified in the "Vendor Agreement" by and between the Cooperative and the Agency.

205.8 Request for Special Services

When a customer, member or non-customer calls for electric distribution utility service other than those detailed in this rate, the service will be charged at the Cooperative's current cost of material, labor and overheads as applicable.

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205.9 Financial Institution Transaction Fee

If you elect to pay your electric bill by credit card or other financial institution transaction that charges a fee, a three (3) percent processing fee will be added to the transaction. This is three (3) percent of the total amount paid. This amount is to recover the costs charged by financial institution to process a credit card transaction.

205.10 Administrative Charge

When an adjustment is made to a customer's account due to incorrect readings or estimated readings an administrative charge of \$15.00 will be applied.

APPROVED: 08/22/2005 EFFECTIVE: 01/01/2006 REVISED: 11/24/2014

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301. Conditions of Service

It shall be the policy of the Cooperative to supply electric service under the Cooperative's rate schedules applicable to the class of service supplied to all applicants therefore who require electric service at locations within the Cooperative's service area provided the following conditions are met:

301.1 Application for Electric Service

Any person desiring to receive electric service from the Cooperative shall apply for such service by properly completing, signing and submitting application for electric service. A separate application for electric service is required for each location where electric service is desired and is required whether the request pertains to a renewal of service or the initiation of new service. The application for electric service must be in the correct name of the individual requesting electric service. The Cooperative may require suitable identification.

301.2 Easement

The applicant shall furnish to the Cooperative, if required, an easement acceptable to the Cooperative and at no cost to the Cooperative granting the right to construct, operate and maintain any facilities which the Cooperative may be required to construct or install on the property of the applicant in order to furnish the required electric service, along with the right to replace, rebuild or remove said facilities and the right to service others from these facilities. The applicant shall allow Cooperative personnel to have free access to the applicant's premises at all reasonable hours and shall allow access any time for emergencies.

301.3 Membership in the Cooperative

Applicant shall properly complete, sign and submit an application for membership to the Cooperative. The applicant may also be required to pay the required membership fee.

301.4 Contracts

Prior to receiving service, applicants shall execute all contracts, which, under the Cooperative's Rules and Regulations and/or Rate Schedules, are required in connection with furnishing the type of service for which application is being made.

301.5 Fees and Deposits

Applicant shall pay to the Cooperative prior to receiving service all membership fees, deposits, connection costs, line extension costs, and any other amounts required by the Rules and Regulations and/or Rate Schedules of the Cooperative, which have been duly authorized.

301.6 Applicability

Service to the Member is governed by the Rules, Regulations and Rate Schedules of the Cooperative as established by the Cooperative's Board of Directors.

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SECTION: SERVICE RULES AND REGULATIONS

302. Response to Request for Service

The Cooperative shall serve each applicant for service within its certificated area as promptly as is practical after the applicant has complied with the provisions of Section 301, Conditions of Service.

Applications for new service not involving line extensions or new facilities should be completed within seven (7) working days.

Applications for service requiring line extensions should be completed within ninety (90) days, unless unavailability of materials, inclement weather, acquisition of right-of-way, or other circumstances beyond Cooperative's control cause unavoidable delays. Within ten (10) working days of the completion of the Conditions of Service by applicant, the Cooperative shall provide the Applicant with an estimated completion date.

Any construction cost options offered by the Cooperative, including the potential sharing of construction costs between the Cooperative and the applicant, or the sharing of costs between applicants and/or Members, shall be explained to the applicant following assessment of the work necessary to extend service.

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303. Refusal of Service

The Cooperative may decline to serve an applicant if any one of the following conditions exist:

303.1 Failure to Fulfill Conditions of Service

If applicant has failed or refused within a reasonable period of time to fulfill the conditions precedent to electric service contained in Section 301, or

303.2 <u>Indebtedness</u>

If applicant has failed or refused to pay any indebtedness to the Cooperative or any other utility having previously provided applicant with electric service, or

303.3 Credit

Applicant has failed or refused to satisfactorily establish credit in accordance with the provisions of Section 305, or

303.4 Membership

Applicant has failed to qualify for membership or refused to pay the membership fee in accordance with the Cooperative's Rules and Regulations, or

303.5 Hazardous Conditions

If applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given, or

303.6 Failure to Comply with Governmental Regulations

Applicant fails to comply with federal, state or municipal regulations governing electric service.

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304. <u>Insufficient Cause for Refusal of Service</u>

The following shall not be considered sufficient cause for refusal of service to an applicant or Member:

Delinquency in payment for service by a previous occupant of the premises to be served;

Failure to pay for merchandise, or charges for non-utility service purchased from the Cooperative;

Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six months prior to the date of application;

Violation of the Cooperative's rules pertaining to operation of nonstandard equipment or unauthorized attachments which interfere with the service of others, or other service such as communication services, unless the Member has first been notified and been afforded reasonable opportunity to comply with said rules;

Failure to pay a bill of another Member as guarantor thereof, unless the guarantee was made in writing to the Cooperative as a condition precedent to service; and

Failure to pay the bill of another Member at the same address except where the change of Member identity is made to avoid or evade payment of the electric bill. A Member may request a supervisory review if the Cooperative determines that evasion has occurred and refuses to provide service.

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305. Deposits

305.1 Amount of Deposit

Any customer may be required to make a cash deposit with the Cooperative to ensure financial responsibility. Deposits or other guarantee of payment as a condition of new or continued service to a residential customer shall be required and accounted for in accordance with this tariff.

A deposit shall not exceed an amount equivalent, at the Cooperative's option, to:

- (a) One sixth (1/6th) of that customer's estimated annual billings; or
- (b) Three (3) times the estimated annual charges for electric service as specified in an Agreement for Electrical Service.

For Commercial loads in excess of 1 MW (excluding governmental loads) Cooperative may also require customer to make a cash deposit, provide an acceptable letter of credit from an approved banking institution, or provide other security reasonably acceptable to Cooperative in an amount sufficient to recover Cooperative's estimated annual wholesale power costs to its wholesale power supplier that are attributable to that customer load.

Cooperative may require the customer to increase the amount, or change the form, of security to address changes in the customer's creditworthiness or changes in the customer's historical or projected electric consumption.

305.2 Establishment of Credit for Permanent Residential Customers

An applicant for permanent residential service may satisfactorily establish credit and shall not be required to pay a deposit:

- (a) Payment History if the applicant for permanent residential service has been a customer of a utility providing electric service within the last two (2) years and is not delinquent in the payment of any such utility service account and during the last twelve (12) months of service did not have more than one occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment;
- (b) Guarantee if the applicant for permanent residential service furnishes in writing a satisfactory guarantee to secure the payment of bills for electric service;
- (c) Other means if the applicant for permanent residential service demonstrates a satisfactory credit rating by appropriate means, including letters of credit reference or ownership of the residence at which electric service is being requested.

305.3 Determination of Refund

For Commercial loads in excess of 1 MW (excluding governmental loads): Deposits will be refunded within ten (10) days after service to customer is terminated and all amounts due Cooperative have been paid in full.

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For all other customer loads: Deposits shall be refunded during the twelfth (12th) month from the deposit receipt date provided that the customer has not been chronically delinquent. Chronically delinquent means more than two (2) late payments in the twelve (12) month period.

If the customer is not chronically delinquent for a twelve (12) month period, then the deposit will be refunded with interest for the twelve (12) months. The interest will be computed from the first day of receipt by Cooperative.

If a customer does not qualify for refund on the first anniversary, that customer's deposit shall not be refunded. The deposit will not be refunded until the customer maintains a good payment history for a successive twelve (12) month period.

All deposit records shall be reviewed annually for refund consideration. A customer may request a refund of deposit after twelve (12) months of service if not chronically delinquent.

305.4 Interest

All cash deposits shall earn interest at the rate in accordance with state laws.

305.5 Deposit Records

The Cooperative shall maintain the necessary records to provide adequate accounting of customer deposits.

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306. Disconnection of Service

The customer, upon receiving electric service and the Cooperative shall be required to conform and adhere to the rates, schedules and rules approved by the Board of Directors.

306.1 Billing and Disconnect Procedures

The customer and Cooperative shall conform to the following procedures.

A. Monthly Bill

The charges for electric service shall be billed monthly covering a billing cycle of approximately thirty (30) days.

B. Terms of Payment

Each bill for utility service, regardless of the nature of the service, is due sixteen (16) days after issuance, unless such day falls on a holiday or weekend, in which case payment is due the next work day. If full payment is not received in the office of the Cooperative, the customer's account will be considered delinquent and subject to disconnection in accordance with these rules.

C. Delinquent Account

A customer shall be delinquent if payment has not been received by the Cooperative by the due date. A delinquent fee will be applied in accordance with section 205.7 "Late Payment Fee for Delinquent Accounts".

D. Delinquent Notice

The Cooperative shall prepare and post in the U.S. Mail a delinquent notice within five (5) days after the due date. The notice shall include a summary of the collection and disconnection procedures and related charges for the failure to pay the past due amount. The notice will state the account may be disconnected ten (10) days after the due date.

E. Collection of Delinquent Accounts

The Cooperative may assess a collection charge as specified under Tariff "Services and Charges," provided the Cooperative is required to make a trip to contact a customer. Only one collection may be assessed in the collection of a past due amount.

F. Disconnection of Electric Distribution Service

If a customer fails or refuses to pay the Cooperative in accordance with the provisions of the Electric Service Agreement, Rules and Regulations, applicable rate schedule, deferred payment agreement, or guaranty agreement, then a customer may be disconnected for non payment of the past due amount. The procedure shall be as follows:

1. Within five (5) days the Delinquent Notice shall be mailed to the affected customer. This notice will state the account may be disconnected ten (10) days after the due date of the original bill.

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2. If payment has not been received ten (10) days after the due date, the account may be disconnected for non-payment or failure to make a payment arrangement.

G. Reconnection of Service

The Cooperative shall restore disconnected electric service upon full payment of all authorized charges.

H. Non delivery of Bills and Notices

The customer is not exempt from the terms and conditions set forth in this rule for the failure to receive the bills or notices properly submitted by the Cooperative.

I. Prior Accounts

If a member has an active account with the Cooperative, all past due amounts from previous accounts will be billed to the active account.

306.2 Disconnection of Service at Member's Request

Any Member desiring to discontinue electric utility service from the Cooperative shall give reasonable notice identifying the Member, the service location where discontinuance is desired, and the date service is requested to be discontinued. Such request shall be made with the appropriate Cooperative employee at any office of the Cooperative.

Following receipt of Member's request for discontinuance of service the Cooperative shall disconnect service. The Cooperative shall attempt to make the disconnection on the date requested by the Member, but the Cooperative shall not be obligated to make disconnection earlier than the second full business day following receipt of Member's request.

306.3 Cooperative Initiated Disconnection after Proper Notice

The Cooperative may discontinue service to a Member after proper notice under any of the following circumstances:

A. Non-Payment of a Bill

If the Member fails or refuses to pay a delinquent account or enter into a Deferred Payment Plan for electric service (whether or not based upon estimated billing); or

B. Deferred Payment Plan

If the Member fails to perform any obligation under the terms of a Deferred Payment Plan; or

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C. Interference with Service

If the Member violates any rule pertaining to the use of electric service in a manner which interferes with or is likely to cause interference with electric service to other Members, or if the Member operates nonstandard equipment, provided that the Cooperative has made a reasonable effort to notify the

Member and provided there has been a reasonable opportunity to remedy the situation; or

D. Failure to Make Application for Service

If the Member fails or refuses to make application for service in accordance with these rules in the Member's true name; or

E. Failure to Comply with Contract

If the Member fails or refuses to perform any obligation contained in Member's Electric Service Agreement, the Cooperative's Rules and Regulations, the rate schedule under which the Member is receiving electric service, or any applicable easement; or

F. Refusal of Access

If the Member fails or refuses to provide the Cooperative reasonable access to its facilities located on Member's premises; or

G. Comply with Law

If the Member fails or refuses to comply with any applicable Federal, State, Municipal, or other law, ordinance, rule, or regulation; or

H. Deposit Arrangement

If the Member fails to comply with a deposit arrangement; or

I. Backbilling

If the Member fails or refuses to timely pay any billing authorized by these rules resulting from previous underbilling, whether caused by meter inaccuracy or failure to register, misapplication of rates or otherwise, except that the Cooperative shall not submit Backbilling for a period which exceeds three months if a meter is found not to register, and the Cooperative may not disconnect service for failure to pay charges arising from underbillings caused by faulty metering (unless provision of service had been tampered with) or if the Member fails to pay charges arising from an underbilling more than six months prior to the date the Cooperative initially notified the Member of the amount of the undercharge and the total additional amount due unless such under charge is a result of meter tampering, bypassing or diversion by the Member; or

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J. <u>Default on Guaranty Agreement</u>

If the Member has signed a written Guaranty Agreement for another Member or applicant and fails or refuses to pay the amount due on the guaranteed account when requested to do so by the Cooperative.

306.4 Cooperative Initiated Disconnection without Notice

The Cooperative may disconnect service immediately and without notice under the following circumstances:

A. Hazardous Condition

When a hazardous condition exists in the Member's installation or equipment; or

B. Service is Connected or Reconnected without Authority

Where service is connected without authority by a person who has not made application for service, or where service has been reconnected without authority following termination of service; or

C. Meter Tampering and Unauthorized Use of Energy

If the Cooperative's meter which serves Member has been tampered with or bypassed; or Member uses or disposes of electric energy in a manner not authorized in these rules or the rate schedule under which Member receives service; or there has been a theft of electric service or violation of Section 28.03 of the Penal Code of the State of Texas.

306.5 Prohibited Disconnections of Service

The Cooperative shall not discontinue service to a Member for any of the following reasons:

- A. Delinquency in payment for utility service by a previous occupant of the premises; or
- B. Failure to pay for merchandise, or charges for non-utility service provided by the Cooperative; or
- C. Failure to pay for a different type or class of utility service unless the charges for such service are included on the same bill; or
- D. Failure to pay the account of another Member as guarantor thereof, unless the Cooperative has in writing the guarantee as a condition precedent to service; or
- E. Failure to pay disputed bill that has not yet been resolved.

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306.6 **Proper Notice**

Proper notice shall be notice given by separate mailing to the Member, or hand delivered at the Member's installation or premises at least ten (10) days prior to the earliest date of disconnection with the words "termination notice" or similar language prominently displayed on the notice. The information included in the notice shall be provided in English and Spanish as necessary to adequately inform the Member. The earliest date of disconnection may not fall on a holiday or weekend but shall fall on the next workday after the tenth day.

306.7 Disconnection on Holidays or Weekends

Unless a dangerous condition exists, the Cooperative shall not disconnect service on a day, or on a day immediately preceding a day, when personnel of the Cooperative are not available for the purpose of making collections and reconnecting service.

306.8 Postponements of Disconnection

A. Medical

The Cooperative will not discontinue service to a delinquent permanent residential Member residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person residing at that residence becoming seriously ill or more seriously ill if service is disconnected. Each time a Member seeks to avoid termination of service under this rule, the Member must have the attending physician call or contact the Cooperative within 16 days of issuance of the bill. A written statement must be received by the Cooperative from the physician or health care provider within twenty-six (26) days of the issuance of the Cooperative's bill. The prohibition against discontinuance of service provided by this rule shall last sixty-three (63) days from the issuance of the Cooperative's bill or such lesser period as may be agreed upon by the Cooperative and the Member. The Member who makes such request shall enter into a deferred payment plan.

B. <u>Energy Assistance Grantees</u>

The Cooperative shall not terminate service to a delinquent permanent residential customer if the Member has applied for and been granted emergency assistance funds if:

- (1) The agency for the administration of these has notified the Cooperative, prior to the date of disconnection, of approval of an award sufficient to cover the bill; or
- (2) If an agency for administration of these funds has notified the Cooperative, prior the date of disconnection of approval of an award sufficient to cover a portion of the bill, and the Member enters into an acceptable deferred payment plan for the remainder of the bill.

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C. Extreme Weather

The Cooperative will not disconnect a Member until the Cooperative ascertains that no life threatening condition exists in the Member's household, or would exist, because of disconnection during severe weather conditions. Severe weather is defined as:

- (1) A day when the previous day's highest temperature did not exceed 32°F, and the temperature is predicted to remain below 32°F for the next 24 hours according to the nearest National Weather Service reports, or
- (2) In areas where an excessive heat alert is in effect as determined by the National Weather Service.

306.9 Effect of Disconnection of Service

A. Member's Obligation

Discontinuance of service shall not relieve Member from any obligation to the Cooperative or lessen or change any obligation in any manner.

B. <u>Cooperative's Rights</u>

Disconnection of service shall not reduce, diminish, or eliminate any legal right or remedy accruing to the Cooperative on or before the date of discontinuance, nor shall discontinuance operate as a waiver of any legal right or remedy.

Failure of Cooperative to discontinue electric service at any time after default or breach of these Service Rules and Regulations, the rate schedule under which Member is receiving electric service, or the Electric Service Agreement, or to resort to any legal remedy or its exercise of any one or more of such remedies does not affect the Cooperative's right to resort thereafter to any one or more of such remedies for the same or any default or breach of Member.

C. Dismantling of Cooperative Facilities

The Cooperative may, upon discontinuance of electric service to Member, dismantle and remove all lines, equipment, apparatus, or other facilities, which the Cooperative may have installed to provide electric service to Member. The Cooperative may, however, abandon in place, in whole or in part, its underground lines and equipment in lieu of removing such facilities

D. Liability for Disconnection of Service

The Cooperative shall not be liable for any damages of any kind or character resulting from discontinuance or disconnection made pursuant to these rules or those prescribed by proper regulatory bodies.

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E. Refund of Membership Fee

Within a reasonable time after discontinuance of service, the Cooperative shall make reasonable efforts to refund any balance remaining of Applicant's Membership fee, if applicable, after applying the fee to any unpaid bills and if Applicant is no longer required to maintain Membership.

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307. Disputed Bills

In the event of a dispute between a Member and the Cooperative regarding any bill, the Member shall contact Cooperative prior to termination and notify Cooperative of the portion of the bill which is disputed and the basis for such dispute. Upon notification of the dispute and Member's basis therefore, Cooperative will make such investigation as shall be required by the particular circumstances and report the results thereof to the Member.

If the dispute is not thereby resolved, the Cooperative will inform the Member of the complaint procedures of the regulatory authority having jurisdiction over such service. Pending the completion of the determination of the dispute (but in no event more than sixty (60) days), the Member shall not be required to pay the disputed portion of the bill which exceeds the amount of the Member's average monthly usage at current rates. For purposes of this provision only, the Member's average monthly usage at current rates shall be the average of the Member's gross utility service for the preceding twelve (12) month period. Where no or insufficient previous usage history exists, consumption for calculating average monthly usage shall be estimated on the basis of usage levels of similar customers under similar circumstances.

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308. Levelized Payment Plan

- A. The purpose of this plan is to provide qualified Residential and Commercial Customers under 35 kW demand, excluding oil wells, the opportunity for a monthly budget payment method. This plan allows a qualified Customer to average its electric bill over a 12-month time frame. Assuming no significant changes in the Customer's service requirements, this improves the Customer's ability to predict and budget power costs on a monthly basis.
- B. The following qualifications will apply:
 - 1. Customer must demonstrate an acceptable credit rating;
 - 2. Customer must request to be billed under this Levelized Payment Plan, and
 - 3. Customer must have a current 12-month billing history.
- C. To calculate the Customer's total monthly-levelized payment amount, the Cooperative will total the Customer's electric bill for the last 12 months and divide by 12 to get an average monthly bill.
- D. The Customer's account will be reviewed and adjusted as set forth below. The monthly bill submitted by the Cooperative to the Customer will show both the amount, which is billed under the regular schedule, and the Levelized Payment amount. The Customer shall pay the Levelized Payment amount each month on or before due date, but the Customer is responsible for payment under the regular rate schedule for the actual consumption of electricity. The difference between the amount that is paid will be carried either as a balance owed the Cooperative or a balance owed the Customer.
- E. The Cooperative will review the Levelized Payment amount with respect to the amount of the balance in the Customer's account, monthly; and will recalculate the Levelized Payment amount. In addition, the Levelized Payment amount may be increased to reflect any rate increase.
- F. Provided the Customer has been notified thirty (30) days in advance, the Cooperative shall cease to bill the Customer under this Levelized Payment Plan in any of the following situations. Any balance due to or owed by the Customer will be payable, and the Cooperative will offer a deferred payment plan in accordance with the Terms and Conditions of the Cooperative's Tariffs.

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- 1. Customer requests such action;
- 2. Customer under Levelized Payment Plan moves from his/her point of service;
- 3. This Levelized Payment Plan is discontinued;
- 4. Customer is delinquent on one payment and does not "catch up" the next month, or
- 5. Customer is delinquent on two payments.
- G. The Cooperative may require a deposit from Customers entering the Levelized Payment Plan; such deposit will not exceed an amount equivalent to one-sixth (1/6) of the actual annual billing.

The deposit and interest will be refunded immediately after the customer pays 12 consecutive monthly bills on time. Otherwise, the Cooperative may retain the deposit for the duration of the billing period under the Levelized Payment Plan. The Cooperative will pay interest on deposits as provided in the Terms and Conditions of the tariff.

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309. Deferred Payment Plan

309.1 Availability of Deferred Payment Plan

The Cooperative shall offer, upon request, a deferred payment plan to any permanent residential Member who has expressed an inability to pay that Member's entire bill, if that Member has not been issued more than two termination notices at any time during the preceding 12 months.

The Cooperative shall not provide a deferred payment plan to any Member who is lacking sufficient credit or a satisfactory history of payment for previous service when the Member has had service from the present Cooperative for not more than three months. In cases of meter tampering, bypass, or diversion the Cooperative shall not offer a deferred payment plan.

Arrangements for a deferred plan may be made by visiting the Cooperative's business office or by contacting the Cooperative by telephone during regular business hours.

The deferred payment plan is not valid until signed by the Member. If the Member made arrangements for a deferred payment plan over the phone, the Cooperative will mail the deferred payment plan to the Member for the Member to sign and return.

The Cooperative will provide a copy of the deferred payment plan to the Member after the plan has been signed by the Member and the Cooperative.

309.2 Disconnection

Every deferred payment plan entered into as a result of Member's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the Member pays current bills and a reasonable amount of the outstanding bill, and agrees to pay the balance in reasonable installments until the bill is paid. A payment of not more than one-third of the total deferred amount may be required as a reasonable amount under this paragraph.

If a Member has not fulfilled terms of a deferred payment agreement, the Cooperative shall have the right to disconnect service pursuant to the Cooperative's disconnection rules.

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310. Member Complaints

Upon complaint to the Cooperative by a Member either at its office, by letter or by telephone, the Cooperative shall promptly make a suitable investigation and advise the complainant of the results thereof.

The customer shall not be required to pay the disputed portion of a bill, which exceeds the amount of that customer's average monthly usage at current rates pending the completion of the determination of the dispute, but in no event more than 60 days. The customer's average monthly usage at the current rate shall be the average of the customer's gross utility service for the preceding 12-month period. When no previous usage history exists, consumption for calculating the average monthly usage shall be estimated on the basis of usage levels of similar customers and under similar conditions

In the event the Member is dissatisfied with the Cooperative's report, the Cooperative shall advise the Member of the Member's right to file a complaint with the Board of Directors of the Cooperative.

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311. Procedures When Over billing or Underbilling Occurs

If amounts billed for utility service are found to differ from the Cooperative's rates approved by the Cooperative's Board of Directors, or if the Cooperative fails to bill the Member for such service, a billing adjustment shall be calculated by the Cooperative.

311.1 Over billing

If the Member is due a refund, an adjustment shall be made for the entire period of the over billings. If the over billing is adjusted by the Cooperative within three billing cycles of the bill error, interest shall not accrue.

311.2 Underbilling

If the Member was under billed, the Cooperative may back bill the Member for the amount, which was under billed. The Backbilling is not to exceed six months unless the Cooperative can produce records to identify and justify the additional amount of Backbilling, or unless such underbilling is a result of meter tampering, bypass, or diversion by the Member.

If the underbilling is \$50 or more, the cooperative shall offer the Member a deferred payment plan option for the same length of time as that of the underbilling. Interest shall not apply to undercharged amounts unless such amounts are found to be the result of meter tampering, bypass, or diversion by the Member.

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312. Member Protection Standards

The following customer protections standards are applicable to all Members of San Patricio Electric Cooperative:

Protection from fraudulent, unfair, misleading, deceptive, or anticompetitive practices, including protection from being billed for service that were not authorized or provided;

Availability of information in English, or upon request, in Spanish concerning rates, key terms and conditions, and the basis for any claim of environmental benefits of certain production facilities;

Protection from discrimination on the basis of race, color, sex, nationality, religion, marital status, income level, or source of income and from unreasonable discrimination on the basis of geographic location;

Privacy of customer consumption and credit information;

Accuracy of metering and billing;

Presentation of bills in a clear, readable format and easy-to-understand language that provides the following: clear, easily understandable identification, in each bill sent to a customer and a toll-free number to contact San Patricio Electric Cooperative with any questions;

Availability of information in English and Spanish upon request concerning low-income assistance programs and deferred payment plans;

All consumer protections and disclosures established by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.) and the Truth in Lending Act (15 U.S.C. Section 1601 et seq.); and

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314. <u>Line Extension Policy</u>

314.1 Permanent

A. Applicability

This policy is applicable to individual distribution services where the amount of use and permanency of service can, in the opinion of the Cooperative, be reasonably assured.

B. Feasibility

The Cooperative shall not be required to make an extension or provide distribution facilities that would cause a financial hardship on the Cooperative and its existing consumers.

The Cooperative reserves the right to limit new or additional distribution service commensurate with the available unreserved capacity in transmission, distribution and substation facilities. In all cases, where such existing facilities are limited, the Cooperative will require written contract for a suitable initial contract period which will justify and support the necessary investment and reservation of capacity required to render such distribution service.

C. Definitions

The following terms shall have the following meaning for the purposes of this policy.

- 1. <u>Contribution in Aid of Construction</u> a payment made to the Cooperative for a Line Extension. The Contribution in Aid of Construction must be paid prior to construction. The Contribution in Aid of Construction will be based on the Cost of Construction less any applicable Construction Credits. Contribution in Aid of Construction payments are not subject to adjustments or refunds.
- 2. <u>Line Extension</u> the addition to, or modification of, the Cooperative's electric distribution system, for the purpose of providing distribution service to a consumer or group of consumers.
- 3. <u>Minimum Line Extension</u> the minimum line extension is designed solely to meet the needs of the consumer requesting distribution service, and is consistent with Cooperative and industry design and safety standards.
- 4. <u>Cost of Construction</u> the estimated cost of constructing a Line Extension. The estimate will be based on the Line Class and Line Footage of the Line Extension requested as well as the Cooperative's estimated cost of labor, materials, transportation and other overhead.
- 5. <u>Permanent Service</u> distribution service to installations where the facilities are used daily and the amount of use and permanency of service can, in the opinion of the Cooperative, be reasonably assured.

The applicant for distribution service shall permanently occupy, own, or have a valid sales contract to purchase the property on which the installation is located. A

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long-term lease is also acceptable.

All installations shall have a permanent source of potable water and approved sewage facilities and comply with all applicable municipal and/or county zoning and platting requirements. Stock watering and irrigation facilities are excluded.

- 6. <u>Line Class</u> one of four types of construction: single phase, overhead; three phase overhead; single phase underground; three phase underground.
- 7. <u>Construction Credit</u> San Patricio Electric will allow a construction credit of \$800.00, per meter, for each permanent residential or commercial service.
- 8. <u>Line Footage</u> the length of a Line Extension measured in feet and measured along the centerline of the construction route.

D. General Requirements

Thirty (30) days after a residential customer has complied with all the reasonable utility requirements, the Cooperative will provide to such customer a written estimate of the Cost of Construction for the Line Extension.

The Cooperative will complete construction of the Line Extension within sixty (60) days after the consumer signs the Cooperative's Line Extension Agreement, pays the Contribution in Aid of Construction, and after the Cooperative has secured all applicable permits, rights of way, materials and labor necessary for the Line Extension and the Cooperative has completed all necessary contractual obligations.

For the purposes of compliance with the National Electrical Safety Code, and general electric industry practices and in accordance with the Cooperative's By-laws, Article 2, Section 2.09, the consumer provides an easement to the Cooperative.

A written application and contract may be required for distribution service made under this policy. The contract will cover the period of distribution service, character of distribution service and details of the costs of construction, including material, labor and all other expense necessary for the service extension.

To assure the additions to the system of the Cooperative will not cause undue hardship upon the Cooperative or its existing consumers, each new line extension consumer shall maintain an active account in accordance with the applicable tariff for a period of time sufficient to recover the cost of the line extension or the construction credit, whichever is less. This is in addition to any installment payments made under "Method of Payment", page 3 of this policy. The consumer may pay the total cost of the line extension or the construction credit and not be obligated for any period of time.

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E. Contribution in Aid of Construction

No Contribution in Aid of Construction will be charged for permanent residential or commercial distribution service unless the total Cost of Construction exceeds the Construction Credit amount.

A Contribution in Aid of Construction will be collected in the following instances:

- 2. If the Cost of Construction exceeds the Construction Credit amount, the applicant shall, prior to the start of construction, pay for the difference.
- 3. Line extensions requiring underground service to a home or building during the construction phase will require a permanent connection at a point mutually agreeable to the Cooperative and consumer. Additional costs created by moving or repairing the underground facilities, during or after construction, will be paid by the consumer. All underground facilities will only be placed on final graded property.

F. <u>Design and Routing</u>

In its design and engineering of electrical systems, the Cooperative shall take into account system needs for expansion and area wide service. Sound engineering and economic considerations may require systems to be designed and built which exceed the needs of the consumer requesting service.

Area wide distribution service or system improvement shall be defined as any service or system capacity beyond what is specifically required for the particular development in question. The Cooperative shall bear the costs of electrical system work done for the sake of area wide or system improvement. Consumers will pay for that part of the distribution system, which is necessary for the specific needs of the service.

G. Method of Payment

Consumers shall pay the Contribution in Aid of Construction (when required) in full, prior to the start of construction. In a case where the extension exceeds one half mile in length, the applicant may choose to sign a contract stating that the applicant shall pay in advance of construction a minimum of 20% of the total Cost of Construction, with the balance to be paid in equal monthly installments over a period of time not to exceed 5 years, at the determination of the Cooperative. Simple interest of 9% will be added to the installment amount.

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H. Refund Due to the Connection of Other Consumers

Original applicants will be eligible for refunds of the Contribution in Aid of Construction up to five (5) years from completion of the line extension. The date of completion is the date of the Cooperative's final accounting.

If during the five (5) year period additional consumers connect to the line extension for which there is an outstanding Contribution in Aid of Construction; the new consumers will pay a pro-rata (percentage of line footage and the number of years remaining of 5 years) share of the outstanding Contribution in Aid of Construction. The first refund will be paid to the original applicant and subsequent refunds will be divided among additional consumers that have connected to the line extension. Refunds will continue until the outstanding Contribution in Aid of Construction is used up.

Refunds will not exceed the original Contribution in Aid of Construction.

I. <u>Consumer Equipment</u>

The Consumer shall install only such motors or other apparatus or appliances as are suitable for operation with the character of the distribution service supplied by the Cooperative and which are not detrimental to that service.

Further, the electric power must not be used in such a manner as to cause abnormal voltage fluctuations or disturbances to the Cooperative's distribution system. The Cooperative may require the installation of approved starting current load limiting devices on motors. Upper limits of inrush starting current will be determined by the Cooperative.

The consumer shall maintain a power factor of 90% or higher. If the consumer's power factor is below 90% the Cooperative may require that power factor equipment be installed as a condition of service.

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J. Billing

The billing shall be in accordance with the applicable rate schedule or service contract.

K. Ownership of Distribution Facilities

The Cooperative shall retain the ownership of all materials and facilities for the distribution of electric energy whether or not they have been paid by the member, another person or entity.

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314.2 <u>Temporary Service</u>

A. Applicability

This policy is applicable to temporary, standby or special electric distribution services stated to be speculative in nature or any other type of installation where the amount of use and the permanency of distribution service cannot, in the opinion of the Cooperative, be reasonably assured.

B. Feasibility

The Cooperative shall not be required to make an extension or provide distribution facilities that would cause a financial hardship on the Cooperative and its existing consumers.

The Cooperative reserves the right to limit new or additional distribution service commensurate with the available unreserved capacity in transmission, distribution and substation facilities.

In all cases, where such existing distribution facilities are limited, the Cooperative will require a written contract for a suitable initial contract period which will justify and support the necessary investment and reservation of capacity required to render such distribution service.

C. <u>Definitions</u>

The following terms shall have the following meaning for the purposes of this policy.

- 1. <u>Contribution in Aid of Construction</u> a payment made to the Cooperative for a Line Extension. The Contribution in Aid of Construction must be paid prior to construction. The Contribution in Aid of Construction will be based on the Cost of Construction. Contribution in Aid of Construction payments are not subject to adjustments or refunds.
- 2. <u>Line Extension</u> the addition to, or modification of, the Cooperative's electric distribution system, for the purpose of providing distribution service to a consumer or group of consumers.
- 3. <u>Minimum Line Extension</u> the minimum line extension is designed solely to meet the needs of the consumer requesting distribution service, and is consistent with Cooperative and industry design and safety standards.
- 4. <u>Cost of Construction</u> the estimated cost of constructing a line extension. The estimate will be based on the Line Class and Line Footage of the Line Extension requested as well as the Cooperative's estimated cost of labor, materials, transportation and other overhead.
- 5. <u>Temporary Service</u> distribution service to mobile homes, recreation vehicles, residential installations not occupied full time, such as hunting or fishing cabins, vacation homes, water wells, irrigation, other seasonal, or intermittent use or to installation for commercial enterprises of a speculative nature and any other type of

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- 6. installation where the amount of use and the permanency of distribution service cannot, in the opinion of the Cooperative, be reasonably assured.
- 7. <u>Line Class</u> one of four types of construction: single phase overhead; three phase overhead; single phase underground; three phase underground.
- 8. <u>Line Footage</u> the length of a line extension measured in feet and measured along the centerline of the construction route.

D. Policy

Where it is necessary for the Cooperative to provide temporary distribution service, the applicant, prior to the start of construction, shall pay a Contribution in Aid of Construction equal to the Cost of Construction.

A written application and contract may be required for extensions made under this policy. The contract will cover the period of distribution service, character of distribution service and details of the charges, including material, labor and all other expense necessary for the distribution service extension.

For the purposes of compliance with the National Electrical Safety Code, and general electric industry practices and in accordance with the Cooperative's By-Laws, Article 2, Section 2.09, the consumer provides an easement to the Cooperative.

E. Consumer Equipment

The Consumer shall install only such motors or other apparatus or appliances as are suitable for operation with the character of the distribution service supplied by the Cooperative and which are not detrimental to that distribution service.

Further, the electric power must not be used in such a manner as to cause abnormal voltage fluctuations or disturbances to the Cooperative's distribution system. The Cooperative may require the installation of approved starting current load limiting devices on motors. Allowable limits of inrush starting current will be determined by the Cooperative.

The consumer shall maintain a power factor of 90% or higher. If the consumer's power factor is below 90% the Cooperative may require, as a condition of service, power factor correction equipment to be installed.

F. Reclassification of Service

If, during a one (1) year period commencing from the date of connection, the applicant's facilities can be reclassified from Temporary Service to Permanent distribution service, it is the consumer's responsibility to apply, with the Cooperative, for a reclassification of service. When the distribution service is classified as a permanent service, construction credits will be provided as detailed in the applicable policy.

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A. Billing

The billing shall be in accordance with the applicable rate schedule or distribution service contract.

B. Ownership of Distribution Facilities

The Cooperative shall retain the ownership of all materials and facilities for the distribution of electric energy whether or not they have been paid for by the member, another person or entity through a Contribution in Aid of Construction or otherwise.

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314.3 Subdivisions

A. Applicability

This policy is applicable to any individual, corporation or other identifiable organization ("Developer") engaged in the development, improvement or the construction of residential subdivisions or commercial and industrial developments.

For the purpose of this policy, a residential subdivision is defined as a parcel of land within the Cooperative's service area, meeting the criteria for subdivisions as may be defined in the Texas State Statutes and which has the approval of the governing municipal and/or county governments. Commercial and industrial developments are apartments, condominiums, office buildings, retail developments, manufacturing facilities and all other facilities developed for the purpose of providing service or a product to the general public.

B. Feasibility

The Cooperative shall not be required to make an extension or provide distribution facilities that would cause a financial hardship on the Cooperative and its existing consumers.

The Cooperative reserves the right to limit new or additional distribution service commensurate with the available unreserved capacity in transmission, distribution and substation facilities. In all cases, where such existing facilities are limited, the Cooperative will require written contract for a suitable initial contract period which will justify and support the necessary investment and reservation of capacity required to render such distribution service.

C. <u>Definitions</u>

The following terms shall have the following meaning for the purposes of this policy.

- 1. <u>Contribution in Aid of Construction</u> a payment made to the Cooperative for a line extension. The Contribution in Aid of Construction must be paid prior to construction. The Contribution in Aid of Construction will be based on the Cost of Construction less any applicable construction credits. Contribution in Aid of Construction payments are not subject to adjustments or refunds.
- 2. <u>Line Extension</u> the addition to, or modification of, the Cooperative's electric distribution system, for the purpose of providing distribution service to a consumer or group of consumers.
- 3. <u>Minimum Line Extension</u> the minimum line extension is designed solely to meet the needs of the consumer requesting distribution service, and is consistent with Cooperative and industry design and safety standards.
- Cost of Construction-the estimated cost of constructing a line extension. The estimate
 will be based on the Line Class and Line Footage of the line extension requested as
 well as the cooperatives estimated cost of labor, materials, transportation and other
 overhead.

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- 5. <u>Line Class</u> one of four types of construction: single phase overhead; three phase overhead; single phase underground; three phase underground.
- 6. <u>Line Footage</u> the length of a line extension measured in feet and measured along the centerline of the construction route.

D. General Requirements

A developer shall make application in writing to the Cooperative. The developer shall provide the Cooperative with a legally dedicated subdivision plan showing the boundaries, lot assignments, dedicated streets and alleys, accesses, easements, covenants, restrictions, future development potential and any other pertinent information that may be required by the Cooperative. The Cooperative shall, based upon the plans, give an estimated cost of construction of the entire development.

Thirty (30) days after an applicant has complied with all the reasonable Cooperative requirements, the Cooperative will provide to such customer a written estimate of the Cost of Construction for the line extension.

The Cooperative will complete construction of the line extension within sixty (60) days after the applicant signs the Cooperative's line extension agreement, pays the Contribution in Aid of Construction, and after the Cooperative has secured all applicable permits, rights of way, materials and labor necessary for the line extension and the Cooperative has completed all necessary contractual obligations.

For the purposes of compliance with National Electrical Safety Codes, and general electric industry practices and in accordance with San Patricio Electric By-Laws, Article 2, Section 2.09, the consumer provides an easement to San Patricio Electric Cooperative, Inc.

A written application and contract may be required for extensions made under this policy. The contract will cover the period of distribution service, character of distribution service and details of the charges for the extension, including material, labor and all other expenses necessary for the distribution service extension.

E. Payment

The developer will be required to pay the total Cost of Construction for the basic distribution system required to serve the subdivision or land development. This basic system shall consist of all parts of the distribution system.

F. Method of Payment

The developer, prior to the start of construction, shall pay the total Contribution in Aid of Construction.

G. Refund

To qualify for a refund, the developer and the Cooperative will enter into a written agreement allowing the developer to recover \$800.00 per permanent residential or

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commercial meter installed within 3 years of the original line extension in the subdivision. It is the developer's responsibility to notify the Cooperative of the meter, location and date of the permanent installation.

This agreement will be for a term of up to three years and begins on the date the work order is closed by the Cooperative. Payments will be made twice a year. The total refund will never exceed the amount of the developer's cost for the Cooperative's line extension in the subdivision.

H. System Design

The Cooperative will design the distribution system in accordance with applicable RUS standards and other rules and regulations applied to the Cooperative. The routing will be mutually agreeable to the Developer and the Cooperative. Underground facilities will only be placed on final graded property. All right of ways and obstructions will be cleared prior to the start of construction.

I. Ownership of Distribution Facilities

The Cooperative shall retain the ownership of all materials and facilities for the distribution of electric energy whether or not they have been paid for by the member, another person or entity through a Contribution in Aid of Construction or otherwise.

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314.4 Up and Down Services

A. Applicability

This policy is applicable to all installations, which are mobile or portable, such as carnivals, concession stands, construction sites, facilities or projects of a known transitory nature.

B. Feasibility

The Cooperative shall not be required to construct Up and Down distribution facilities or provide distribution facilities that would cause a financial hardship on the Cooperative and its existing consumers.

The Cooperative reserves the right to limit new or additional distribution service commensurate with the available unreserved capacity in transmission, distribution and substation facilities. In all cases, where such existing distribution facilities are limited, the Cooperative will require written contract for a suitable initial contract period which will justify and support the necessary investment and reservation of capacity required to render such distribution service.

C. Policy

Where it is necessary for the Cooperative to provide Up and Down Distribution Service, the applicant shall pay the total Cost of Construction for the Up and Down Distribution Service, as a non refundable Contribution in Aid of Construction, prior to the start of construction.

For the purposes of compliance with National Electrical Safety Code, and general electric industry practices and in accordance with the Cooperative's By-Laws, Article 2, Section 2.09, the consumer provides an easement to the Cooperative, Inc.

D. Consumer Equipment

The Consumer shall install only such motors or other apparatus or appliances as are suitable for operation with the character of the distribution service supplied by the Cooperative and which are not detrimental to that distribution service. Further, the electric power must not be used in such a manner as to cause abnormal voltage fluctuations or disturbances to the Cooperative's distribution system.

The Cooperative may require the installation of approved starting current load limiting devices on motors. Upper limits of inrush starting current will be determined by the Cooperative.

The consumer shall maintain a power factor of 90% or higher. If the consumer's power factor is below 90% the Cooperative may require power factor equipment be installed as a condition of service.

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E. Billing

The billing shall be in accordance with the applicable distribution rate schedule or service contract.

F. Ownership of Distribution Facilities

The Cooperative shall retain the ownership of all materials and facilities for the distribution of electric energy whether or not they have been paid by the member, another person or entity.

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314.5 Relocation or Changes to Cooperative Facilities.

A. Policy

When the Cooperative is requested to relocate it's facilities for the sole benefit and/or convenience of a consumer or entity, the consumer or entity will be required to pay a Contribution in Aid of Construction equal to the Cost of Construction. Payment must be made prior to the start of construction .

B. Ownership of Distribution Facilities

The Cooperative shall retain the ownership of all materials and facilities for the distribution of electric energy whether or not they have been paid for by the member, another person or entity through a Contribution in Aid of Construction or otherwise.

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314.6 Consumer Built Line Extensions.

A. Applicability

The purpose of this policy is for the Cooperative to give an applicant for distribution service, desiring to construct distribution service extensions, the opportunity to build or have contracted to build distribution service extensions. The Rural Utilities Service ("RUS") and National Rural Utilities Cooperative Finance Corporation ("CFC") hold mortgages on the Cooperative. These documents state that specific conditions must be met and maintained at all times. The following requirements must be addressed.

B. Requirements

The construction shall be properly engineered by San Patricio Electric and must meet all requirements of the National Electrical Safety Code (NESC). The design shall fit the Cooperative's long range planning and shall be approved by the Cooperative through it's staking technician and the consulting engineering firm.

The proposed construction should be covered by valid and legal easements, on forms provided by San Patricio Electric, from all property owners along the route and all necessary permits should be obtained.

All environmental requirements and concerns must be satisfied. All insurance, bond and related requirements must be completed and adequate proof of meeting the requirements must be provided.

All construction must use standard RUS specifications. Materials used in construction must meet the requirements of RUS Bulletin 43-5, "List of Materials Acceptable for Use on Systems of RUS Borrowers" (or the subsequent updates).

The Cooperative shall have the right to inspect and observe construction at any time. Prior to the connection and energizing of the construction, the line must be inspected, tested and approved by the Cooperative's engineering firm.

No work will be performed on the Cooperative's existing distribution system by the applicant or the applicant's agent without the Cooperative's written approval. This is for the safety of both the applicant and the Cooperative.

C. Policy

Consumers desiring new distribution service lines and systems to be built to their premises may choose to construct such distribution systems on their behalf or have them constructed by a competent and qualified electrical contractor. After construction and acceptance, such distribution systems shall be donated to the Cooperative by the Consumer.

In recognition of the need to protect the public from electrical hazards, and the need for distribution systems which are useful and safely maintainable over a normal and customary service life, the following will govern the construction of consumer built distribution systems.

D. Design and Construction Specifications

The Cooperative will design the minimum line extension required to serve the Consumer, in accordance with the Cooperative's and RUS's standards and specifications. The Cooperative will provide distribution system design drawings and construction specifications to the Consumer. The Consumer shall pay the Cooperative for applicable design costs.

E. Material Specifications

The Cooperative shall specify all materials and equipment to be used in the distribution system including, but not limited to wire, cable, conduit, transformers, poles, fixtures, switch gear, relays, capacitors and insulators. The applicant will be free to acquire the materials from any source, provided that all materials will be from approved manufactures and meet the specifications of the RUS and Cooperative that are in effect at the time the Cooperative provides the Design and Construction Specifications to the Consumer.

F. Quality Control and Assurance

The Consumer agrees to comply with RUS and Cooperative specifications for materials, equipment and construction standards. In order to assure compliance, the Cooperative will select a Construction Inspector who will visit the construction site.

The Inspector shall have the authority to accept, reject, the work and materials of the Consumer or contractor and shall certify such acceptance or rejection at the time of inspection. The function of the Inspector shall be to verify compliance with safety, design, materials, equipment and installation specifications.

The Consumer agrees to pay the Cooperative for its costs incurred in the inspection of the distribution system.

G. Easements and Rights of Way

The Consumer shall provide to the Cooperative easements and rights-of-way in a Cooperative approved format, which reflect the "as-built" configuration and location of the electric system. The Consumer shall pay the Cooperative for its costs incurred to verify the easements and rights-of-way.

H. <u>Licensing, Insurance, and Bonding Requirements and Compliance with Required Governmental Inspections</u>

The Consumer agrees to be properly qualified, licensed and bonded or to hire only those contractors who are properly and currently qualified and licensed to construct electrical distribution systems, in accordance with State and local law and regulation.

In accordance with RUS Regulations and the Cooperative's mortgage requirements, the consumer or persons hired to perform work under service contracts with the Cooperative shall obtain insurance

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and bond coverages as established in the referenced bulletins or current regulations of RUS. The requirements will be provided.

The Consumer agrees to comply with all applicable State and local construction inspection requirements.

I. Meters

The Consumer shall pay the Cooperative its costs incurred to purchase and install special meters.

J. Ownership of System and Resulting Tax Liability

After the distribution system has been constructed, and accepted by the Cooperative's Construction Inspector, the Consumer agrees to execute an Agreement (Consumer-built Distribution System) to transfer ownership to the Cooperative.

Should the Cooperative incur any tax liability, the Consumer agrees to pay the cost of said tax liability.

K. Property Records at the Time of Sale

The Consumer agrees to supply to the Cooperative its certified costs incurred in constructing the distribution system, so that proper accounting of the distribution system may be made by the Cooperative. The Cooperative agrees to keep such information confidential unless required to disclose (e.g. to regulatory or other governmental agencies or bodies).

L. Liability for Distribution System

Commencing with the date of donation of the distribution system to the Cooperative, the Cooperative will assume full and complete operating responsibility for the distribution system.

The Consumer shall be liable for the direct and indirect consequences of any defects or failures of the distribution system constructed by the Consumer for a period of one year, unless such defects or failures arise from the Cooperative's design, specifications, or improper operation of the distribution system.

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314.7 Security Lights

A. Applicability

The Cooperative will extend its overhead electric distribution facilities to provide security light service. The member shall pay, in advance, a non-refundable Contribution in Aid of Construction in an amount equal to the Cost of Construction.

For the purposes of compliance with National Electrical Safety Code, and general electric industry practices and in accordance with the Cooperative's By-Laws, Article 2, Section 2.09, the consumer provides an easement to the Cooperative.

B. Ownership of Distribution Facilities

The Cooperative shall retain the ownership of all materials and facilities for the security light service whether or not they have been paid by the member, another person or entity.

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314.8 Ownership of Distribution Facilities.

The Cooperative shall retain the ownership of all material and facilities installed by the Cooperative for the distribution of electric energy whether or not the same have been paid for by the Member through a Contribution in Aid of Construction or otherwise. All lines and facilities constructed or installed by the Cooperative are the property of the Cooperative.

314.9 **Special Circumstances**.

Any situation involving special circumstances not specifically covered in this Line Extension policy will require special consideration and approval of the Manager of the Cooperative. All extensions made under special circumstances shall be designed to recover all costs of construction.

314.10 <u>Underground Line Extensions</u>

Requests for extensions of underground facilities shall be handled in the same manner as overhead facilities extensions.

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316. Dual Area Switchover

- 1. In areas designated as "Dually Certificated" by the Public Utility Commission of Texas where electric service is being provided to a property owner by the Cooperative, and said property owner requests the disconnection of electric service in order to obtain electric service from another certificated utility, the following rules shall apply:
 - a. The property owner shall request in writing to the Cooperative, the removal of electric service facilities from his/her location, specifying the date that service be terminated and this Cooperative's account number(s) of the location to be disconnected.
 - b. Prior to disconnection, the property owner shall pay the Cooperative in full, all amounts owed the Cooperative on the account(s) involved including: current bills, payments due under contract, deferred payment agreement, delinquent payments and penalties if applicable.
 - c. In addition, the property owner shall pay the Cooperative, prior to the disconnection date, a \$99.00 disconnection fee.
 - d. The property owner shall also pay the Cooperative, prior to the disconnection date, an amount equal to the original total construction cost of all distribution facilities rendered idle and unusable as a result of this disconnection, less the depreciation and salvage value of those facilities. Any Contributions in Aid of Construction provided by the consumer for the disconnected facilities will be deducted from the original cost. Direct labor and transportation costs associated with removed unusable distribution facilities shall be charged.
- 2. In areas designated as "Dually Certificated" by the Public Utility Commission of Texas where electric service is being provided to a property owner by a utility other than the Cooperative and said property owner requests service from the Cooperative, the following rules shall apply:
 - a. The property owner shall notify the utility presently providing service of his/her desire to switch electric service to that of the Cooperative.
 - b. The property owner shall provide evidence that he/she has satisfactorily complied with the switchover tariff requirements of the utility from which service is being terminated.
 - c. Service will be extended to the property owner upon the completion of a) and b) above and in accordance with the standard line extension policy of the Cooperative for the class of service required.

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SECTION: SERVICE RULES AND REGULATIONS

J. If a switchover is requested of a property owner in a "Dually Certificated" area for reasons of economics of service, elimination of duplication of facilities or other sound reasons, then only those amounts due under normal billing procedures will apply.

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401. <u>Utility Electric Code</u>

A. Scope

The Cooperative may develop and require a consumer to meet certain electrical specifications or codes necessary to the continuity and safety of electric codes.

B. <u>Authority</u>

The consumer and the Cooperative shall conform to and be bond by the statutory authority of the national, sate and local utility codes.

C. Approval

The Cooperative reserves the right to inspect the consumer's electrical facilities and enforce the terms and conditions set forth in this rule.

D. <u>Code</u>

The purpose of the adoption of this National Electric, State and local utility code is to safeguard personnel, buildings and their contents from hazards arising from the improper use of electricity, and to assure the quality and reliability of electric service provided to a consumer by the Cooperative.

1. General

a. Mandatory and Advisory Rules

The mandatory rules of the code are characterized by the use of the word "shall." Advisory rules are characterized by the use of the word "should" or "may" are stated as a recommendation of that which is advised but not required.

b. Distribution Facilities

The Cooperative shall own, operate and maintain all electric equipment and facilities up to the point of delivery. The consumer shall install, own and maintain all electric equipment and facilities beyond the point of delivery.

c. Attachment of Electric Service

The consumer shall provide without charge to the Cooperative, a location upon his premises and/or buildings, etc., where the Cooperative may attach the secondary service conductors.

The point of attachment shall be mechanically sound, and should the point of attachment become unsound, the consumer shall notify the Cooperative immediately and provide a remedial solution to maintain a mechanically sound point of attachment.

The Cooperative shall not attach to a trailer house or mobile home.

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d. Point of Delivery

Varies with the meter location:

- Meter on the House (MOH) The point of delivery shall be i. at the point where the Cooperative's secondary service conductor contacts or is attached to the building or house.
- ii. Meter on the Pole (MOP) – The point of delivery shall be at the point where the Cooperative's secondary service conductor contacts or is attached to the pole.
- Meter on Underground Service Entrance (MOUSE)-The iii. point of delivery shall be at the point where the Cooperative's underground secondary service conductor is attached to the lugs on the top side of the meter base.

2. Metering

a. Meter Location and Accessibility

The meter shall be located on the outside of a consumer's building or on a meter pole immediately accessible to meter readers and other authorized personnel.

b. Meter Pole

The meter pole may be provided by the consumer, in which case the meter pole will be (i) owned and maintained by the consumer, and (ii) the sole responsibility of the consumer. In the alternative, the meter pole may be provided by the Cooperative, in which case the meter pole will be (i) paid for by the consumer through a contribution in aid of construction or construction credit, (ii) owned and maintained by the Cooperative, and (iii) the sole responsibility of the Cooperative. Meter pole material, design and installation must meet all code conditions and Cooperative specified standards, including minimum height and clearance requirements.

Meter Loop c.

The Meter Loop may be provided by consumer or may be purchased from the Cooperative The meter loop will be owned and maintained by the consumer and will be the sole responsibility of the consumer. Meter loop material, design and installation shall meet all code conditions and Cooperative specified standards.

d. Meter Base

The meter base may be provided by the consumer or may be purchased from the Cooperative. The meter base, wire and all connections inside the meter base will be owned and maintained by the consumer and will be the sole responsibility of the consumer.

The meter base shall be affixed to a meter loop and attached to a building or meter pole not less than five feet (5') and not more than six feet (6') above ground level. Meter base material, design and installation shall meet all code conditions and Cooperative specified standards.

The Cooperative's meter will be installed by the Cooperative in the consumer's meter base. The meter will be owned and maintained by the Cooperative and will be the sole responsibility of the Cooperative. A seal will be affixed to the lid or ring on the meter base by the Cooperative, and the consumer must not remove the seal without the Cooperative's prior consent. Removing the seal without authorization is considered tampering.

3. Electric Service

a. <u>Joint Use of Electric Facilities</u>

The consumer shall not install wiring or attachments to any part of the Cooperative electric system. No other attachments or use is permissible unless authorized by the Cooperative.

b. Connection of Electric Service

The Cooperative shall connect, disconnect and provide all work and materials required to the point of delivery of electric service. <u>Exception</u> – The consumer may be required to furnish special or unusual connection devices to the Cooperative for connection of electric service.

c. Consumer Premises

The Cooperative shall not be required to provide or maintain electric facilities owned by the consumer beyond the point of delivery, except in special cases, where the Cooperative may own and operate electric facilities beyond the point of delivery.

d. Continuity of Service

The Cooperative will use reasonable diligence, under standard utility practices, to provide the consumer with central station electric service.

4. <u>Consumer's Electrical Equipment</u>

All electric equipment owned operated and maintained by the consumer shall be required to meet all code conditions.

SECTION: ELECTRIC SERVICE

a. Service Entrance Equipment

Beyond the point of deliver shall be furnished by the consumer and shall be required to meet all code conditions.

b. Consumer's Electrical Equipment

The consumer shall be responsible for the electrical protection of equipment owned and operated by him beyond the point of delivery.

c. <u>Electrical Inspection</u>

The Cooperative may inspect the consumer's electrical system to determine if the electrical facilities meet all conditions of code and safety. Electrical facilities that do not meet National, State or local codes may be immediately disconnected until such conditions or violations of code are corrected.

d. Unauthorized Equipment

The consumer shall not operate electrical equipment, with electrical characteristics, that will create irregular or intermittent electrical problems affecting the consumer's service or the electric service of others.

e. <u>Motor Starting Equipment</u>

The consumer shall receive the approval of the Cooperative as to the type of starting equipment installed on motor loads in excess of 25 Horsepower, which may cause unusual variations, and fluctuations of voltage and power flow on the electric system. The consumer, subsequent to or after connection to the system, may be required to correct any condition causing unusual variation or fluctuation.

f. Electrical Protection

The consumer shall be responsible for the electrical protection of all electric equipment operated by him/her.

g. <u>Consumer Electrical Requirements</u>

The consumer shall specify his/her electrical requirements to the Cooperative and the Cooperative shall provide and design adequate electrical capacity.

h. <u>Unauthorized Service Extensions</u>

The consumer shall not extend his/her electric service facilities to adjacent premises or property, whether owned by him/her or others, without the consent of the Cooperative.

5. Characteristics of Electric Service

Electric service shall be supplied by the Cooperative as alternating current, 60 Hertz, at available secondary voltages to the point of delivery at the consumer's premise.

a. <u>Secondary Voltages</u>

The Cooperative will furnish single or three phase electric service at standard secondary voltages, as follows:

- i. Single Phase 120/240 Volt, 3 wire service
- ii. Three Phase 240 or 480 Volt, 3 wire service
- iii. Combination 120/240, 4 wire service, 120/208 Volt, 4 wire service; 277/480 Volt, 4 wire service

b. <u>Primary Voltages</u>

Transmission or distribution voltages used to transmit power are not available for consumer utilization except in very exceptional cases.

6. Security Light Code

- a. Security light installations and related appurtenances shall be owned, operated and maintained by the Cooperative. All facilities installed on the consumer's premises shall be the property of the Cooperative.
- b. Security light installations shall be controlled by light sensitive photoelectric cells.
- c. Security light maintenance required shall be the consumer's responsibility to notify the Cooperative.
- d. Security light installations shall own be maintained by the Cooperative during normal working hours and under favorable weather conditions.
- e. Security light installations may be installed on a temporary basis in accordance with the rules and regulations covering temporary electric service.
- f. Security light installations may be inoperative during periods within a month, but such periods shall not causes the net rate per month to be adjusted.

- g. The Cooperative reserves the right to remove lamp and appurtenances at any time in the event more than two calls per year become necessary due to vandalism or other causes over and above regular maintenance required unless the consumer agrees to pay for the additional calls an costs incurred to the security light under his custody and control.
- h. Security light installations with photoelectric controls are estimated at 4000-hours/year use.

7. Miscellaneous Conditions and Codes

a. Mast Risers

Mast risers on buildings (MOH), to attain adequate height at the point of attachment, shall be a minimum of 1 ½" rigid conduit with sufficient strength to support the stress imposed by the service conductor.

b. <u>Motor Horsepower Limitations</u>

The consumer shall not install or operate a single-phase motor in excess of ten (10) horsepower on the electrical system without written permission of the Cooperative.

c. <u>Power Generation Equipment</u>

The consumer shall not interconnect power generation equipment into his/her electric system without written permission of the Cooperative.

d. Meter Loop Specifications

All meter loops shall be built according to specification kept on file at the cooperative.

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402. Consumer/Cooperative Responsibility

A. General

The Cooperative and the consumer must coordinate all business activities to maintain dependable electric service, and develop a sound business or service relationship.

B. <u>Cooperative Responsibility</u>

1. Agreement for Electric Service

The Cooperative shall provide proposed electric agreements with supporting rates, rules and regulations, and other addendums necessary or required by a transaction.

- a. The Cooperative shall make a reasonable effort to inform a consumer of financial and contractual obligations under any agreement for electric service.
- b. The Cooperative, upon request, shall provide the consumer with a cost estimate for new electric facilities or services prior to delivery of such services.

2. Operations

The Cooperative shall provide all work, services, and operational requirements upon the primary and distribution electric facilities, in accordance with the Rules and Regulations, up to the point of delivery on the consumer's premises.

3. <u>Consumer Premises</u>

The Cooperative shall not be required to provide or maintain electric facilities owned by the consumer beyond the point of delivery.

4. Connect of Electric Service

The Cooperative shall connect, disconnect and provide all work and materials required at the point of delivery of electric service. Exception – The consumer may be required to furnish special or unusual connection devices to the Cooperative for connection of electric service.

5. <u>Continuity of Service</u>

The Cooperative will use reasonable diligence to supply steady and continuous electric service at point of delivery, but will not be liable to consumer for any damages occasioned by irregularities or interruptions.

In order to make repairs to or changes in the Cooperative's facilities for supplying electric service, the Cooperative reserves the right, without incurring any liability thereof, to suspend service without notice to the consumer for such periods as may be reasonably necessary.

Page 2 of 4

6. Liability

The Cooperative is not liable for damages resulting from service interruptions beyond the direct control of the Cooperative.

C. <u>Consumer Responsibility</u>

1. Application – Agreement for Electric Service

Any person, firm, association, corporation or body politic located within the Cooperative service area shall make application at the office maintained by the Cooperative.

2. Codes

The consumer shall meet all conditions specified in the national, state and local codes in accordance with the law.

3. Consumer's Electric Facilities

The consumer shall install and own all electrical equipment, apparatus, wiring and facilities upon his/her premises beyond the point of delivery.

4. Relocation of Equipment

The consumer shall not move or relocate existing electric equipment of facilities affecting or changing the point of delivery without authorization of the Cooperative.

5. <u>Service Interruptions</u>

The consumer shall be responsible for reporting service irregularities or interruptions upon his/her premises to the Cooperative.

6. Property Liability

The consumer shall be responsible for all damage to or loss of the cooperative's property located upon his/her premises, unless occasioned by causes beyond his/her control, and shall not permit anyone who is not an agent of the cooperative to remove or tamper with the cooperative's property.

7. Resale of Electric Energy

The consumer shall not resell or share electricity with others.

8. <u>Ingress and Egress</u>

The consumer shall allow duly authorized cooperative personnel access to their premises in the performance of their duties.

Page 3 of 4

9. Obstructions to Electric Facilities

The consumer shall be required to provide the cooperative with an unobstructed right of way on his/her premises.

10. Service Extensions

The consumer shall not extend electric service facilities, whether owned by him/her or others, to adjacent premises, without written consent of the Cooperative.

11. Consumer's Discontinuance of Electric Service

The consumer is required to notify the cooperative, in writing, a minimum of three (3) working days prior to the intent to terminate electric service. Failure to do so does not relieve the consumer from unauthorized use of power by others or unknowns.

12. Consumer Meter Reading

The consumer may be required to read his/her meter or meters each month.

13. Consumer's Power Factor

The consumer shall maintain a 90% power factor and may be required to correct the power factor upon written notice from the cooperative.

14. Generation Interconnections

The consumer shall not connect any generation equipment or alternate power source to his/her or the cooperative's distribution system without written permission of the cooperative.

15. Electric Protection of Service and Equipment

The consumer will be solely responsible for the electrical and mechanical protection of equipment owned and operated by him/her.

16. Rules and Regulations

The consumer, upon execution of an agreement for electric service, shall be bound by the Rules and Regulations of the Cooperative.

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17. Consumer Liability

The consumer assumes all responsibility for the electric service upon the consumer's premises beginning at and from the point of delivery thereof and the wires, apparatus and appurtenances used in connection therewith and will protect and save the cooperative harmless from all claims for injury or damage to person or property occurring upon the consumer's premises or at and from such point of delivery, occasioned by such electric current or said wires, apparatus and appurtenances, except where said injury or damage shall be shown to have been occasioned solely by the negligence of the cooperative.

18. <u>Consumer's Electrical Requirements</u>

The consumer shall specify his total electrical requirements to the cooperative at the time of application for electric service, and shall notify the cooperative of any substantial increase in capacity requirement thereafter.

In the event a consumer shall add to or increase the size of his electrical equipment, he shall notify the cooperative so that its meter and other equipment may be enlarged sufficiently to care for the increased load. If the consumer fails to so notify the Cooperative, he will be held responsible for any damage to the meter or other equipment of the cooperative caused by such increased load.

SECTION: ELECTRIC SERVICE Page 1 of 5

403. Meters and Meter Reading

403.1 Location and Installation of Meter

The Member shall provide, without cost to the Cooperative, at an easily accessible and suitable location acceptable to the Cooperative, sufficient and proper space for installation of meters and other apparatus of Cooperative; such as, meter board, meter loop, safety service switches when required and an adequate anchor for service drops.

The meter shall be accessible to the Cooperative at all times. The meter shall be located on the outside of any building or structure and shall be moved to the outside, at the Member's expense, if its location is inside of such building or structure as the result of remodeling or structural additions.

403.2 Ownership of Meter

The Cooperative shall provide, install, own and maintain all meters necessary for the measurement of electric energy. Such meters shall be of a standard type, which meet industry standards except that special meters not conforming to such standards may be used for nonbilling purposes such as quality of service investigation and experimental uses.

403.3 Relocation of Meters

When the Member requests a change of the location of the meter, or due to alterations on Member's premises a relocation of the meter is required, the Member shall provide and install at Member's expense all wiring and equipment necessary for the relocation of the meter.

If the relocation of the meter also requires a relocation of the Cooperative's facilities then the Member shall pay to the Cooperative the total cost of the relocation.

403.4 Metered Service

The Cooperative shall provide one metered service, and shall not combine or extend electric service or facilities to an alternate or separate location beyond a point of delivery.

403.5 Metering of Electricity

All the electricity sold by the Cooperative shall be metered, except for electric service where the load is constant and the consumption can be computed.

SECTION: ELECTRIC SERVICE Page 2 of 5

403.6 Meter Reading

- A. The Cooperative shall read all meters, except in cases where cost or other constraints exist, the Cooperative may require the consumer to read his/her own meter.
- B. All meters shall be read at approximately thirty (30) day intervals, except for seasonal load where accurate readings may be obtained when read at greater intervals.
- C. Whenever Members of the Cooperative are be responsible for reading each meter through which electric service is furnished to Member, each meter is to be read every month and the readings entered in the spaces provided on the stub portion of the bill card to be returned with remittance. Members are requested to read each meter on the day the bill is received to assure approximately the same number of days in each billing period.
- D. If requested by the Member, the Cooperative may install an automated meter reading (AMR) device and read the Member's meter(s) on a monthly basis and may charge the member a monthly fee per meter.
- E. If a Member fails to submit a meter reading, or the reading is not received in time for billing, the Cooperative may estimate the Member's meter reading. Such reading will be identified as estimated on the Member's electric bill.
- F. The Cooperative may place Member on an established meter reading route and read the meter at no cost to Member, or may install an AMR device to read the meter monthly.
- G. The Cooperative, at no cost to the Member, may install AMR devices and remotely read monthly the meters of high cost residential accounts and those nonresidential accounts whose consumption of electric energy is measure by demand type kilowatt-hour meters, and rectifiers, and selected oil and gas related accounts.

When there is good reason for doing so, the Cooperative may submit an estimated bill for not more than two consecutive months. In months when meters are not read, the Cooperative shall provide a notice to the Member and request that the Member read the meter and return the reading to the Cooperative. If this reading is not received in time for billing, the Cooperative shall render an estimated bill.

SECTION: ELECTRIC SERVICE

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403.7 Meter Records

Meter records shall be maintained by the Cooperative and show:

- 1. Name of Manufacturer
- 2. Serial Number (actual or assigned)
- 3. Meter Location/consumer
- 4. Meter Data
 - a. Type
 - b. Voltage
 - c. Capacity (Amperes)
 - d. Phase/Wire
 - e. Demand Interval
 - f. Constant (KH)
 - g. Ratios
- 5. Meter Activity Record

403.8 Metering Testing

The Cooperative shall maintain a meter-testing laboratory with qualified meter technicians, or associate with an outside laboratory facility approved by the Commission.

1. <u>Pre-Installation Inspections</u>

All meters shall be tested by the Cooperative, or their authorized representative, prior to installation upon a consumer's electric service.

2. Post-Removal Inspections

All meters shall be tested prior to adjustments, repair or calibration upon removal from service. Results of tests shall be recorded in the Meter Activity Record.

3. Meters for Retirement

Meters removed from service, and deemed unsatisfactory, need not be tested.

4. Meter Accuracy Standard

All meters in service shall be accurate with +/- 2%.

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SECTION: ELECTRIC SERVICE

5. <u>Meter Test Schedules</u>

The Cooperative shall establish a periodic and continuing meter-testing schedule not to exceed:

a. Singe Phase, Self-contained 8 years

b. Poly Phase/Demand

W/instrument Transformers 4 years
Self-Contained 6 years
Block-Interval, Graphic 2 years

The meter-testing schedule shall provide for interim sampling and statistical sampling.

6. Meter Testing Standards

The Cooperative shall maintain, or have access to secondary standards, including:

- a. One indicating voltmeter accurate with .25%
- b. One portable rotating standard watt/hour meter accurate within .5%

7. Meter Test Data

The meter testing record shall include the following:

- a. Consumer and location
- b. Meter number
- c. Date of test
- d. Kind of test
- e. Meter constant
- f. Tester and observer
- g. Measuring device
- h. Meter reading prior to test
- i. Accuracy as found (light and heavy load)
- j. Accuracy as left (light and heavy load)
- k. Statement of Repairs
- 1. Disposition of Meter
- m. Results to the Consumer (if applicable)
- n. Calculations

8. Retention of Meter Test Records

Shall be maintained be the Cooperative for a period of one (1) year after the retirement of the meter.

SECTION: ELECTRIC SERVICE Page 5 of 5

9. Meter Test

No charge shall be made for a meter test except as provided in this rule. If the meter has been tested by the Cooperative, or by an authorized agency, at the customer's request, and within a period of four years the customer requests a new test, the Cooperative shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, Incorporated, the Cooperative may charge the customer a fee which reflects the cost to test the meter.

10. <u>Bill Adjustments – Due to Meter Error</u>

The Cooperative shall increase or decrease a consumer's charges retroactively for a period of six (6) billings if the meter is found to be in error over or under 2% as specified herein.

A consumer's meter found not registering, may be adjusted retroactively for a period not to exceed three (3) months. Such adjustments may be an average kWh use/month for the prior three (3) months or the kWh use/month for the corresponding months in the prior year, whichever is greater.

403.9 Meter Reading Estimates

Estimated meter readings may be required. In this event, the Cooperative shall:

- 1. Estimate the kWh use based on same month prior year or, if not available, previous month.
- 2. The Cooperative will not estimate a consumer's energy consumption for more than two (2) consecutive meter readings. If the consumer is required to read his/her own meter, and does not, the Cooperative shall read the meter and charge the consumer in accordance with the established herein.

SECTION: ELECTRIC SERVICE Page 1 of 1

404. Access and Right of Way

Members shall admit to Member's premises, at all reasonable hours, personnel authorized by the Cooperative to inspect, install, remove or replace Cooperative's property, or to read Cooperative's meter, or to perform other activities necessary to provide electric service including tree trimming and tree removal where such trees, in the opinion of the Cooperative, constitute a hazard to Cooperative personnel or facilities, or jeopardize the providing of continuous electric service. Refusal on the part of the Member to provide reasonable access may be sufficient cause for discontinuance of service with notice.

Any Member and/or property owner who has provided an easement to the Cooperative and who wishes to lock the gates or gaps providing access to the property shall allow the Cooperative to install the Cooperative's standard padlock on the gates or gaps to insure reasonable access to the Cooperative's facilities.

The Cooperative may trim or remove plants or trees, without liability to the owners of such plants or trees that, in the opinion of the Cooperative, constitute a hazard to Cooperative personnel or facilities or potentially jeopardize the continuity of the Cooperative's electric service.

The Member shall not charge fees of any type for access to Member's premises.

The Member shall use reasonable diligence to protect personnel authorized by the Cooperative or by law to have access to Member's premises, and Member shall not cause nor allow or continue any practice, installation or occurrence which endangers the safety of Cooperative personnel or the Cooperative's agents.

405. Protection of Cooperative's Facilities on Member's Premises

The Member shall use reasonable diligence to protect the Cooperative's facilities installed on Member's premises. In the event of loss of, or damage to, Cooperative's facilities on Member's premises, caused by or arising out of carelessness, neglect or misuse by Member or unauthorized persons, the Cooperative may require the Member to reimburse the Cooperative for the cost of such damage.

406. Extension of Member's Facilities

The Member shall not extend Member's installation or facilities across or under public thoroughfares, streets or alleys, or other lands not owned by Member, without the written consent of the Cooperative.

SECTION: ELECTRIC SERVICE Page 1 of 2

407. Member's Electric Load

407.1 <u>Load Balance</u>

The Member shall control the use of electric energy so that Cooperative's electric load at the point of delivery is in reasonable balance.

407.2 Motor Installations

All motor installations shall be in accordance with the following schedule unless permission is provided by Cooperative, in writing.

- A. Motors rated 10 HP, or less, shall be single phase unless the Member is already receiving three-phase service.
- B. Motors rated over 10 HP shall be three phase.
- C. The Cooperative may, at any time, require the Member to furnish at the Member's sole expense, equipment and/or devices acceptable to the Cooperative to limit the effect of motor starting on Cooperative's electric system to a level acceptable to Cooperative.
- D. All motor starting devices are to be of a type approved by Cooperative and are to be provided, operated, maintained and installed by Member.
- E. Power factor correction capacitors shall be installed to correct the motor's power factor to at least 95%.

407.3 Intermittent Electric Loads

Electric service to equipment such as large motors or compressors, spot and arc welding machines, X-ray machines, arc-furnaces, elevators, dredges, locomotives, shovels, feed grinders, rock grinders, and any other type of customer equipment whose use of electricity is intermittent and subject to violent fluctuations, is provided by the Cooperative under the express condition that the operation of such equipment not interfere with the quality of the Cooperative's service to other members. Except for individual transformer type arc welders whose rated primary input current does not exceed 15 amperes at 120-volt operation, Members or applicants for service contemplating the installation of such equipment shall make specific prior arrangements with the Cooperative for service.

407.4 Equipment Impairing Service to Other Members

The Cooperative may decline to provide service, or may disconnect service, to Member's equipment whose operation may adversely affect Cooperative's service to its other Members until the Member having such equipment has, at Member's sole expense, taken all necessary corrective measures to reduce these adverse effects to a level acceptable to the Cooperative.

Cooperative may require Member to provide, at Member's sole expense, suitable apparatus to limit the effect of voltage fluctuations caused by electric equipment in Member's installation where Member is found to be operating electric equipment

SECTION: ELECTRIC SERVICE

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which produces voltage fluctuations, interference or distorted waveforms, which adversely affect electric service provided by Cooperative to Members.

In lieu of requesting Member to install such suitable or special equipment limiting such adverse effect, Cooperative may, at its option, install at Member's cost additional transformer capacity (which may or may not be dedicated solely to such member) or other equipment specially designed to reasonably limit such adverse effect.

407.5 Voltage and Wave Form Sensitive Equipment

Any Member planning the installation of, or operating electric equipment such as computers, communication equipment, electronic control devices, etc., whose performances may be adversely affected by voltage fluctuations and distorted 60 hertz wave forms shall be responsible for providing and installing the necessary facilities to limit these adverse effects.

407.6 Exclusive Service

The service provided by the Cooperative is for the exclusive use of the Member receiving service, and the Member shall not resell or share with any other consumer any such electric energy. The member shall not cause or permit another source of electric energy to operate in parallel with the Cooperative's system or use the Cooperative as a source of standby, auxiliary or supplemental service unless the Member has a written agreement with the Cooperative permitting such an arrangement.

407.7 Prohibited Uses

The member shall not use electric energy for any unlawful purpose or in such a manner that life or property may by endangered.

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408. Attachments to Cooperative's Poles

No posters, banners, signs, light fixtures, radio or television antennas, basketball backboards, fences, structures, or any other type of foreign object may be attached to the Cooperative's property and equipment.

Any person who violates this provision shall be notified and requested to remove all foreign objects and/or equipment from the Cooperative's property. If the Member fails to remove said foreign objects immediately, the Cooperative will remove said foreign objects and/or equipment and bill the person for the cost incurred. The Cooperative may remove any foreign objects and/or equipment from the Cooperative's property and equipment without notice and without liability to the owner of said foreign objects.

SECTION: DEFINITIONS Page 1 of 4

SECTION VII DEFINITIONS

- 500. <u>AMR</u> Automated Meter Reading system(s) which may utilize differing technologies. Systems which can remotely read and communicate with Cooperative meters and other operating system devices.
- 501. <u>Applicant</u> Any person, firm, association, corporation, or body politic or subdivision thereof, requesting that electric service be supplied to a consuming facility by the Cooperative.
- 502. <u>Board of Directors</u> The duly elected Board of Directors of San Patricio Electric Cooperative, Inc.
- 503. <u>Collect or Collection</u> The act of obtaining payment from a Member for the use of electric service as billed by the Cooperative.
- 504. <u>Commission</u> The Public Utility Commission of Texas (PUCT).
- 505. <u>Connection</u> The act or state of joining a Member's electric facilities to the Cooperative's distribution system.
- 506. Cooperative San Patricio Electric Cooperative, Inc.
- 507. <u>Delinquent</u> Any portion of a Member's bill unpaid after sixteen (16) days from the date of issuance, or in reference to a Member, any Member who has not paid the bill in full within sixteen (16) days from the date of issuance, except that if the sixteenth day falls on a holiday or weekend, the due date for payment purposes shall be the next work day after the due date.
- 508. <u>Disconnection</u> The act or state of disjoining a Member's electric facilities from the Cooperative's distribution system.
- 509. <u>Disconnecting Means or Main Disconnect</u> A switching device or devices located on the load, or Member's side of the point of delivery, by which the Member's entire electric system can be disconnected from the Cooperative's distribution system.
- 510. <u>Distribution System</u> The Cooperative's primary and secondary voltage conductors, transformers, switchgear, connections, enclosures, pedestals, poles, guys, anchors, services, meters and all other associated equipment used to provide electric service, installed throughout the Cooperative's service area on and along the dedicated streets and easements of land, developments and subdivisions, such that individual service may be extended therefrom into the lots or tracts upon request by an applicant.
- 511. Dwelling A single family housekeeping unit, properly equipped for full-time occupancy.
- 512. <u>Electric Service or Service</u> The availability and/or actual delivery of electric power to the Member, including any and all acts done, rendered, or performed in making said electric power available to the Member, whether used by Member or not.

SECTION: DEFINITIONS Page 2 of 4

513. <u>Energy</u> - The capacity for doing work. The unit for measuring electric energy is the watt hour, or kilowatt hour which is 1,000 watt hours (kWh).

- 514. <u>Facilities</u> All the plant and equipment of the Cooperative including all tangible personal property without limitation, in any manner owned, operated, leased, licensed, used, controlled, furnished, or supplied for, by or in connection with the business of the Cooperative.
- 515. Member Any person having a membership with the Cooperative and receiving electric service
- 516. <u>Member's Installation</u>: All conductors, equipment, buildings, structures, or apparatus of any kind on Member's side of point of delivery excepting only Cooperative's metering equipment.
- 517. <u>Meter</u> A device, or devices, together with auxiliary equipment, for measuring electric energy usage and/or demand and/or other data.
- 518. Meter Loop A device consisting of conductor, conduit, meter socket, and associated hardware for the purpose of facilitating the connection of the Cooperative's service lead to the Member's electric facilities with facilities for metering the Member's electric usage through a kilowatt hour and/or demand meter in a circuit.
- 519. Meter Socket A device that facilitates the connection of a kilowatt hour and/or demand meter in a circuit to measure the electric power flowing through that circuit.
- 520. <u>Municipality</u> Any incorporated city, town or village.
- 521. <u>Non-Permanent Dwelling</u> A dwelling so constructed as to be easily moved, hauled or otherwise relocated from its original foundation.
- 522. <u>Non-Permanent Installation or Intermittent Use Installation</u> Any installation other than a permanent installation.
- 523. Permanent Installation Any installation that is:
 - A. Constructed on, or permanently affixed to, a concrete slab or concrete piers (not blocks) and which is actually used or occupied on a permanent full time basis; or
 - B. Any other structure which meets all of the following criteria:
 - 1. The structure must be impractical to move. Mobile homes with wheels, trailer hitches, and axle removed are considered impractical to move.
 - 2. The structure must be actually used or occupied on a permanent full time basis;
 - 3. The structure must be permanently connected to a water system and sewer or septic system.

SECTION: DEFINITIONS Page 3 of 4

524. <u>Permanent Residential Dwelling</u> - A dwelling that is so constructed as to be impractical to move, haul, or otherwise relocate from its original foundation, and that is occupied on a permanent, full-time basis.

- 525. <u>Person</u> Any individual, partnership, association, joint venture, corporation, Cooperative Member, or governmental entity.
- 526. <u>Point of Attachment</u> The point at which the Cooperative's service lead is attached to the Member's meter loop or service entrance equipment.
- 527. <u>Point of Delivery</u> The point at which the Cooperative meters the Member's use of electric energy.
- 528. <u>Premises</u> A tract of land or real estate including buildings or other structures or appurtenances thereon.
- 529. <u>Rate Schedules</u> Any schedule of rates or charges approved by the Board of Directors and contained in these tariffs.
- 530. <u>Reconnection</u> The act or state of connecting an existing point of delivery that previously received electric service prior to disconnection.
- 531. <u>Regulatory Authority</u> The governing body of any municipality within which service is provided and having legal jurisdiction over the rates and service of the Cooperative.
- 532. <u>Rules; Service Rules; Service Rules and Regulations</u> Any service rule or regulation of the Cooperative approved by the Board of Directors and contained in the Cooperative's tariffs.
- 533. <u>RUS</u> Rural Utilities Service (USDA) formerly REA.
- 534. <u>Service Anchor or Support</u> The building structure, device, or other object by which the Cooperative's service lead is sufficiently anchored or supported.
- 535. <u>Service Area</u> The PUCT certificated area of territory in which the Cooperative provides electric utility service.
- 536. <u>Service Entrance</u> The Member's conduit, conductors, service head, and disconnecting mains that connects Member's electric facilities to the Cooperative's point of attachment.
- 537. <u>Service Entrance Conductors</u> Conductors provided by the Member extending from Member's electric equipment to the point of delivery where connection is made to the Cooperative's conductors.
- 538. <u>Service Leads</u> The Cooperative's service conductors extending from the point of transformation or junction to the point of attachment to Member's meter loop or service entrance.

Section No. VII Sheet No.

4

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- 539. <u>STEC</u> South Texas Electric Cooperative, Inc.
- 540. Temporary Non-Permanent Account (Refer to 521 and 522 of these Definitions)
- 541. <u>Transfer of Service</u> The act of disconnecting a Member's service and connecting service for the same Member at a different location within the Cooperative's service area.
- 542. <u>Working Hours</u> The span of time during which Cooperative duties are discharged and/or business is conducted.
 - 1. <u>Normal Working Hours</u>: Normal working hours shall be from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding all holidays declared by the Cooperative.
 - 2. Off-duty Hours: Off-duty hours shall be the night-time period from 5:00 p.m. to 8:00 a.m., Monday through Thursday, and the Weekend period from 5:00 p.m. Friday until 8:00 a.m. the following Monday, and all holidays declared by the Cooperative.

APPROVED: EFFECTIVE: REVISED: SECTION: FORMS Page 1 of 1

SAN PATRICIO ELECTRIC COOPERATIVE, INC. Sinton, Texas

DEFERRED PAYMENT AGREEMENT

The sum of \$	_ to be paid on or before		The second
installment of \$	shall be paid on or before	(month/day/year)	, and
the final installment of \$_	is due on or before	(month/day/year	, •
			nth/day/year)
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SAN PATRICIO ELECTRIC COOPERATIVE, INC. Sinton, Texas

DEFERRED PAYMENT AGREEMENT

I, the undersigned (" <u>Member</u> ") promis COOPERATIVE, INC. (" <u>SPEC</u> ") at repair and replacement work perform described in the attached Exhibit A, in	its offices in Sinted by SPEC's ele	ton, Texas, rectrician on r	ny outstan ny electric	ding bill for meter loop,
The Initial Installment of \$2016;	to be paid o	on or before		,
Subsequent Installments of \$ month thereafter;	to be paid o	n or before	the	day of each
with the Final Installment of	\$	to be p	oaid on	or before
Prepayment in whole or in part may be of any penalty or other charge.	e made by Membe	er at any time	without th	e imposition
IF YOU ARE NOT SATISFIED WI MADE BY TELEPHONE AND YOU YOUR UNDERSTANDING OF IMMEDIATELY AND DO NOT SIGN THIS CONTRA	U FEEL THIS CO THAT AGE	ONTRACT L	OES NOT	REFLECT
Signed:				
(Printed Member Name)				
Member Address:				
Date:				
Account Number:				
Account Name:				
APPROVED BY:				

SECTION: FORMS Page 1 of 2

SAN PATRICIO ELECTRIC COOPERATIVE, INC.

ELECTRIC SERVICE AGREEMENT

The undersigned (hereinafter called the "Applicant") hereby applies for electric service from San Patricio Electric Cooperative, Inc. (hereinafter called the "Cooperative"), upon the following terms and conditions:

- 1. The Applicant will, when electricity becomes available, purchase from the Cooperative all electric energy used on the premises and will pay thereafter monthly at the rate to be determined from time to time in accordance with the rate schedules, rules and regulations of the Cooperative. The Applicant will pay a bill in accordance with Rate Schedule No.
- 2. The Applicant agrees to comply with and be bound by the provisions of the Articles of Incorporation and Bylaws of the Cooperative, and such rules and regulations as may from time to time be adopted by the Cooperative. The electric service contracted for herein is to be provided and taken in accordance with the provisions of this Agreement and the Cooperative's tariff. SAID TARIFF IS A PART OF THIS AGREEMENT TO THE SAME EXTENT AS IF FULLY SET OUT HEREIN AND IS ON FILE AND AVAILABLE AT THE COOPERATIVE'S OFFICES IN SINTON, TEXAS. Any tariff provision, including rates and charges for electric service, may be charged, including by order or consent of any regulatory authority having jurisdiction thereof whether or not at the request of the Cooperative.
- 3. Applicant shall make a contribution in Aid of Construction in the amount of \$.
- 4. The minimum charge for each billing period (approximately 30 days) shall be as declared in the appropriate rates sections of Cooperative's tariffs. Rebates during the initial term of the contract shall be in accordance with the appropriate tariff.
- 5. Applicant warrants that Applicant's installation, including all conductors, switches, equipment, wiring and protective devices of any kind, is constructed and will be operated and maintained in a safe manner and in accordance with any and all applicable laws, ordinances, the National Electric Code, and the National Electric Safety Code.
- 6. Applicant assumes all responsibility for the electric current, and for the wires, apparatus and appurtenances used in connection therewith, upon Applicant's premises and at and from the point of delivery of power if such point is located off Applicant's premises, and will protect, indemnify and save Cooperative harmless from all claims from injury or damage occasioned by such electric current for said wires, apparatus or appurtenances to person or property occurring upon Applicant's premises, or at and from such points of delivery, even if due to

Cooperative's negligence, whether sole or joint, and concurrent with the negligence of an Applicant or third parties.

- 7. Cooperative agrees to use reasonable diligence to provide electric utility service to a point of delivery at Applicant's service location.
- 8. Applicant agrees to grant or to secure for Cooperative, at Applicant's expense, any rights-of-way on property owned or controlled by Applicant, and to provide suitable space on such premises for installation of facilities where such rights-of-way and space are necessary to provide electric service to Applicant. Cooperative's representatives, employees and assigns are hereby granted rights of ingress and egress to Applicant's premises at all reasonable times for the purpose of inspection of facilities and/or performing maintenance, system improvements and modifications to the facilities on the premises.
- 9. If Applicant limits access to Applicant's premises with locks on the gates, the Cooperative is hereby granted authority to place a separate Cooperative lock to provide access for Cooperative personnel.
- 10. Upon failure to make payment or perform any obligation under this agreement or the Cooperative's tariffs, the Cooperative shall have the right to discontinue service, as well as such remedies as may be provided by law.
- 11. This agreement constitutes the entire agreement between the Applicant and Cooperative and supersedes any and all prior agreements between the Applicant and Cooperative for the service herein described. Applicant agrees that the Cooperative, its agents and employees, have made no representations, promises and any inducements, written or verbal which are not contained herein.
- 12. The acceptance of the application by the Cooperative shall constitute an agreement between the Applicant and the Cooperative, this agreement for Electric service shall continue in force for _______ years from the date service is made available by the Cooperative to the Applicant, and thereafter until canceled by at least ______ days written notice given by either party to the other.
- 13. In the event that Applicant breaches this contract or is in default in any provision hereof, Applicant agrees to pay the Cooperative its reasonable attorney fees and any court costs incurred in the enforcement of this contract or for damage.

Section No. VIII Sheet No. 4

SECTION: FORMS Page 2 of 2

APPLICANT'S NAME				
MAILING ADDRESS	TEXAS DRIVERS LICENSE # PHONE #			
SERVICE ADDRESS	For Office Use:			
	DEPOSIT: \$ OR			
	NAME OF GUARANTOR			
	GUARANTOR'S SPEC ACCT.#			
	ACCELERATED MINIMUM BILL \$ # of Mos			
	AID TO CONSTRUCTION \$			
APPLICANT SIGNATURE	SAN PATRICIO ELECTRIC COOPERATIVE, INC.			
	REPRESENTATIVE:			

APPROVED: 06/26/00 EFFECTIVE: 08/01/00 **SECTION:** FORMS Page 1 of 2

SAN PATRICIO ELECTRIC COOPERATIVE, INC. P O BOX 1032 SINTON, TX 78380

LEVELIZED PAYMENT PLAN

Account No	Date
Name	Map Location
Address	Monthly Payment
	Additional Deposit

The typical Customer uses more electricity in some months than in others. This means electric service bills will be higher in some months than others. For the convenience of our members, San Patricio Electric Cooperative, Inc. (SPEC) will arrange for members to pay a level billing for each month rather than the standard bill. The conditions necessary for entering into an levelized payment program are as follows:

- 1) <u>Eligibility:</u> Any SPEC member who has received service on an account for 12 months or more will be eligible with these stipulations:
 - a) The member must not be delinquent in any account;
 - b) The eligible accounts are residential and small commercial under 35 kW demand:
 - c) The member must be able to demonstrate an acceptable credit record.
- 2) <u>Calculation of Bill:</u> The immediate past twelve (12) electric bills shall be totaled and divided by twelve (12) to determine the monthly amount to be paid. This calculation is to allow for variations in usage, changes in wholesale power costs, and increases in fuel costs. This amount may be increased due to rate increases.
- 3) <u>Review Procedures:</u> The Cooperative will review the Levelized Payment amount with respect to the amount of the balance in the Customer's account, monthly; and will recalculate the Levelized Payment amount. In addition, the Levelized Payment amount may be increased to reflect any rate increase.
- 4) <u>Bill:</u> Customer's meter will be read at the normal meter reading time. The monthly actual bill will be calculated under the appropriate rate schedule. Levelized Payment Plan customers will receive a bill stating the actual usage and costs, but will be billed only the Levelized Payment Plan amount. The bill will also provide the customer with the current cumulative debit or credit balance of the Levelized Payment Plan program.

SECTION: FORMS Page 2 of 2

5) <u>Late Payment:</u> The levelized payment billing is due upon issuance of each month's bill and is to be paid not later than sixteen (16) days after issuance. If the due date falls on a holiday or weekend, the due date for payment purposes shall be the next working day after the due date. If payment of the levelized payment monthly amount is not made each month when due, the Cooperative reserves the right to place the consumer on normal billing with all balances due and payable in accordance with SPEC's Tariff.

- 6) <u>Discontinuation of Service:</u> If the Customer moves, or for other reason discontinues electric service, the total amount owed to the Cooperative according to the actual billing shall become due and payable immediately.
- 7) <u>Contract Adjustment or Cancellation:</u> The levelized payment plan contract may be canceled by either the member or the Cooperative upon thirty (30) days written notice, and the Cooperative's normal billing and payment procedures will then apply. Significant changes in a customer's service requirements may require them to re-establish a twelve (12) month billing history on the account to qualify for the program.
- 8) <u>Deposits:</u> The Company may require a deposit from Customers entering the Levelized Payment Plan; such deposit will not exceed an amount equivalent to one-sixth (1/6) of the estimated annual billing. The Company may retain this deposit for the duration of Customer's continued billing under the Levelized Payment Plan; however, the Company will pay interest on the deposit as provided in the Terms and Conditions of SPEC's Tariff. The deposit and interest will be refunded to the Customer after any twelve (12) month period where they have had no late or partial payments.

I certify that I have read and understand the terms of this contract and desire to enter in Levelized Payment Plan and to abide by the conditions outlined above.				
Member's Signature	Cooperative Approval	_		

APPROVED: 08/24/99 EFFECTIVE: 08/24/99

the

Section No. VI Sheet No. 7

SECTION: FORMS Page 1 of 2

Membership/Capital Credit #

SAN PATRICIO ELECTRIC COOPERATIVE, INC. GENERAL APPLICATION FOR MEMBERSHIP

I, "Applicant," hereby make application for membership in San Patricio Electric Cooperative, subject approval by the Board of Directors. I understand that I may be required to pay a deposit if I am deemed now (or in the future) to be a credit risk to the Cooperative. I presently do not hold another membership in the Cooperative. Subject to applicable provisions of the bylaws of the Cooperative as they exist and any modifications thereto properly approved and authorized from time to time, I understand that: (i) the application fee is non-refundable; (ii) the membership fee is refundable only upon termination of electric service provided that all debts and obligations have been paid; (iii) the membership fee may be placed in my membership account and that said account may also be used to facilitate distributions, if any; (iv) upon termination of electric service, the funds in my membership account shall normally be refunded if I am able to be located; (v) the membership fee is non-transferable and that no interest shall be payable or accrue on the membership fee or other monies held in a member's capital account; and (vi) my member's capital account may be used to offset losses incurred by the Cooperative. I agree to follow and accept the Cooperative Bylaws and tariff provisions as they exist and any modifications thereto properly approved and authorized from time to time.

Da	te: Applicant:	Applicant:		
	Ву:			
	CREDIT INFO	RMATION		
1.	FULL NAME ON DRIVERS LICENSE (D.L.)		D.L	NO
	EXPIRATION DATE			
2.	SOCIAL SECURITY NUMBER://	·		
3.	DATE OF BIRTH:/			
4.	MAILING ADDRESS:			
	Street or PO Box	City	State	Zip Code
	HOME PHONE: ()	E-MAIL ADDI	RESS	
5.	PLACE OF EMPLOYMENT	_HOW LONG_	PHONE ()
6.	Check one of the following: I OWN MY HOME	I REN	T MY HOME_	
7.	NAME OF NEAREST RELATIVE (not living at the above address)_		PHONE ()

SAN PATRICIO ELECTRIC COOPERATIVE, INC. Section No. VI Sheet No. 8

group listed below.

- RACIAL/ETHNIC GROUP

 1. White
 - 2. Black or African American
 - 3. Hispanic or Latino
 - 4. American Indian or Alaska Native
 - 5. Asian
 - 6. Native Hawaiian or Other Pacific Islander

DATA COLLECTION INFORMATION

As recipients of federal assistance, San Patricio Electric Cooperative is required to identify and document as accurately as possible the racial/ethnic data on the eligible population in our service area. We would appreciate your checking the appropriate

7. Other

Thank you for your cooperation in this matter.

APPROVED: 06/26/00 EFFECTIVE: 08/01/00 **SECTION:** FORMS

Page 1 of 1

SAN PATRICIO ELECTRIC COOPERATIVE, INC.

Sinton, Texas

Guarantee to Pay Bills for Electric Service

Guarantee to Tay Bins for Electric Service
I,, promise to pay to SAN PATRICIO ELECTRIC COOPERATIVE, INC., at Sinton, Texas, all bills for electric service as rendered. Payment shall be made promptly following receipt of billing and shall be paid on or before sixteen (16) days from the date of issuance by the Cooperative. If the 16th day falls on a holiday or weekend, the due date will be the next work day.
Date:
Surety Agreement: The undersigned, as Surety for the payment of the above Guarantee, does hereby agree to Guarantee the payment as herein-above stated. Surety agrees to pay to the Cooperative the total amount shown on each bill issued to the aforesigned person up to the amount of the guarantee. Such payment shall be made upon demand.
If Surety fails to make payment as herein agreed, the Cooperative shall disconnect service to Surety without further notice.
Amount of Guarantee \$
Surety
Date:

APPROVED: 03/27/00 **EFFECTIVE:** 03/27/00

OFFICIAL CAPACITY

SECTION: FORMS Page 1 of 2

SAN PATRICIO ELECTRIC COOPERATIVE, INC. P O BOX 1032 SINTON, TX 78380

LEAVE-ON AGREEMENT

Cust	tomer Name:				
Acco	ount Number:				
1.	This Leave-On Agreement (Agreement individually metered residential of Cooperative (Cooperative). The Agreement agrees to be responsible for the existing renter until connection name and service will remain connection responsible for paying the monthly be	or commercial rental complex or pro- reement allows for continuous elect- or all electric service beginning with on by the new renter. The account ected until the new renter connects	operty and San Patricio Electric ric service to a rental unit. The the disconnect date established will be listed in the Customer's service. The Customer will be		
2.	The Leave-On Agreement initiation designated in Exhibit A as a "leav location/complex. The initiation characteristics are considered as a constant of the control of the co	e-on" account. All units in Exhib	it A must be part of the same		
3.	Each time electric service to one of Agreement Activity Charge will be a		eted in the Customer's name, an		
4.	This Agreement shall continue in effect for the rental units identified herein until terminated by eithe party by written notice mailed or delivered to the other party at least thirty (30) days prior to the date of termination of the Agreement. It is understood and agreed to that any unpaid amounts as a result of this Agreement can and will be transferred to an active account of the owner/manager.				
5.	The undersigned Customer underst hereby authorizes Cooperative to swritten notice.				
6.	The addition of units to Exhibit A will require the execution of a new Agreement and Leave-Or Agreement initiation charge. It is agreed that any changes in the coverage of this Agreement requested by Customer shall become effective no more than ten (10) working days after Customer's writter request for such changes.				
7.	This Agreement will not automatically connect in Customer's name if service is disconnected for non-payment. The Customer will be responsible for requesting service to be connected and a Customer Account Fee will be assessed.				
ACC	EPTED BY:	ACCEPTED: SAN PATRICIO ELECTRI	IC COOPERATIVE, INC.		
		BY			
CUST	TOMER DATE		DATE		

TITLE

SECTION: FORMS Page 2 of 2

EXHIBIT A LEAVE-ON AGREEMENT ACCOUNTS

ACCOUNT NAME:			CONTACT TELEPHONE #		
MAILING ADDRESS:			NAME:		
ADDRESS	UNIT #	ACCOUNT	NUMBER	EFFECTIVE DATE	
CUSTOMER			SAN PATRICIO	ELECTRIC COOPERATIVE, INC.	
OFFICIAL CAI	PACITY		SPEC REPRESEN	NTATIVE	

APPROVED: 08/24/99 EFFECTIVE: 08/24/99

Section No. VI Sheet No. 12

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SAN PATRICIO ELECTRIC COOPERATIVE, INC. APPLICATION FOR MEMBERSHIP (Commercial or Industrial)

for membership in San Patricio Electric Cooperative, subject to a non-refundable \$25.00 account activation fee per meter, a \$15.00 membership fee, and approval by the Board of Directors. I understand that I am responsible for a \$60 metering equipment deposit which will be retained, earning interest, by the cooperative until service is disconnected, and until all money owed has been paid and metering equipment is left in good condition. I also understand that our business may be required to pay a deposit if deemed now (or in the future) to be a credit risk to the Cooperative. Our business presently does not hold another membership in the Cooperative. Subject to applicable provisions of the bylaws of the Cooperative as they exist and any modifications thereto properly approved and authorized from time to time, I understand that:

- (i) the account activation fee(s) is non-refundable;
- (ii) the membership fee is refundable only upon termination of electric service provided that all debts and obligations have been paid;
- (iii) the membership fee may be placed in my membership account and that said account may also be used to facilitate distributions, if any;
- (iv) upon termination of electric service, the funds in my membership account shall normally be refunded if I am able to be located;
- (v) the membership fee is non-transferable and that no interest shall be payable or accrue on the membership fee or other monies held in a member's capital account; and
- (vi) my member's capital account may be used to offset losses incurred by the Cooperative.

I agree to follow and accept the Cooperative's Bylaws and tariff provisions as they exist and any modifications thereto properly approved and authorized from time to time.

Date	Authorized Representative				
			(please print name & tit	le)	
	Signature of Authorized Representative				
		BILLING INFORMAT	ΓΙΟΝ		
1.	FULL NAME OF BUSINES	SS			
2.	FEDERAL TAX IDENTIFICATION #				
	(if tax exempt, please attach completed tax exempt form)				
3.	MAILING ADDRESS:				
	Street or PO Box	City	State	Zip Code	

SAN PATRICIO ELECTRIC COOPERATIVE, INC. Section No. VI Sheet No. 13

Page 2 of 2 **SECTION:** FORMS

Street or PO Box	City			State	Zip Code
NAME OF BILLING CONTACT					
TELEPHONE ()	FAX	()			
TYPE OF BUSINESS					
HOW LONG					
NAME OF ENERGY MANAGEMENT CONTACT				E-mail A	Address
TELEPHONE ())		

APPROVED: 06/26/00 *EFFECTIVE:* 08/01/00

Section No. VI Sheet No. 14

SECTION: FORMS Page 1 of 2

ELECTRIC LINE EASEMENT AND RIGHT-OF-WAY

STATE OF T COUNTY OF			LINE NO EASEMENT NO				
GRANTOR: GRANTOR'S	S MAIL	ING ADDRESS:	DATE:			, 20_ _	
		(City)		(State)	(County)		
		atricio Electric Cooperative, Inc ddress: P. O. Drawer 400 Sinton, Texas 78387	> .				
and No/100 do	ollars (\$	provision of electric service and 10.00) and other good and values sly acknowledged and accepted	able consider				
Easement Pro	operty (check either Defined Easemen	ıt or Blanket	Easement):			
[]	acres,	ed Easement. The Easement P more or less, more particularly option and plat, incorporated her	y described in	n the attached		ote	
[]		tet Easement. The Easement lk one):	Property is a	tract of land	described as follo	ws	
	[]	Platted property, Lots addition/subdivision in the C city of" if property is not wi according to the map or placounty.	City of thin city limit	Addition ts),	Block /Subdivision,, (cross out " County, Tex Plat Records of su	an the as,	
	[]	Unplatted Property. Survey, Texas, as more fully describ Page, of the	A bed in an instr	in rument recorde	core or less, out of Cound in Volume County, Tex	ity, ,	

For blanket easements, upon location by Grantee of its transmission/distribution lines, poles, and/or other facilities on said property, the Easement Property shall be limited to that portion of the property within 15 feet in all directions of Grantor's lines, poles, guys, anchors, or other facilities on the tract of land described above. The Easement Property shall include use of the subsurface below and air space above for the Purpose herein stated. This easement shall also include such portions of adjoining property owned by Grantor as is necessary for the Purposes stated below.

Project: Electric distribution line or lines, consisting of a variable number and sizes of wires, cables, poles, towers and circuits, and all necessary or desirable appurtenances, facilities and equipment (including, but not limited to, supporting structures, insulators, transformers, guy wires, anchorages, conduits, vaults, pads, meters and other facilities whether made of wood, metal, or other materials).

Grant: Grantor hereby grants, sells, and conveys to Grantee an Easement and Right-of-Way in, upon, over, under and across the Easement Property, together with all and singular the rights and appurtenances thereto in anyway belonging, to have and hold it to Grantee and Grantee's successors and assigns forever. Grantor also grants to Grantee the right and authority to license, permit or otherwise agree to the joint use or occupancy of the line system, or facilities by any other person or entity for electrification, telephone, telegraph, television or similar purposes.

Purpose: The Easement, right-of-way, rights and privileges herein granted shall be used for the purpose of providing electric service, constructing, placing, operating, maintaining, reconstructing, replacing, relocating, reconstituting, enlarging, changing the size or nature of, rebuilding, upgrading, removing, inspecting, patrolling, and/or repairing the Project or any part of the Project, and making connections, reading meters thereon, and to undertake the same for any of the other joint uses authorized herein. The purpose shall also include use of the Easement, right-of-way, rights and privileges granted herein for any use directly related to the Project or financing of the Project, including but not limited to performing archaeological, historical, environmental, or other studies. Grantee shall have the right to place temporary poles, towers, anchorages, guys and supporting structures for use in erecting or repairing the Project. Grantee shall have the right to use such portion of the property along and adjacent to the Easement Property and right-of-way as may be reasonably necessary in connection with the Purposes stated above relating to the Project, or any part thereof.

Access: Grantee shall have the right of pedestrian, equipment, and vehicular ingress and egress at all times upon and across the Easement Property for the above stated Purpose. Grantee shall also have the right of ingress and egress over existing roads across the adjacent or remainder property of Grantor for the purpose of obtaining access, including the installation of a San Patricio Electric Coop lock in conjunction with Grantor's facilities for ingress. In the event that access in not reasonably available over existing roads, Grantee shall have the right of reasonable ingress and egress over the adjacent property of Grantor along any route that is reasonable and appropriate under the circumstances then existing in order to obtain access. Grantee shall have the right to use such portion of the property along and adjacent to the Easement Property and right-of-way as may be reasonably necessary in connection with the construction, reconstruction, repair or other Purpose stated above relating to the Project, or any part thereof.

Term: The Easement and access rights granted herein, as well as the covenants made herein, shall be perpetual and appurtenant to the land, and shall remain in effect until abandoned by the Grantee.

Obstructions: Grantee shall have the right to cut, trim, chemically treat with herbicides, and/or remove trees, shrubs, bushes, brush and vegetation within or adjacent to the Easement Property or otherwise necessary to realize the Purpose stated above.

Structures: Grantor shall not construct or locate on the Easement Property any structure, obstruction or improvement (other than roads and fences), Grantee shall have the right to remove from the Easement Property any structure, improvement, or obstruction (other than roads and fences), and Grantor agrees to pay Grantee the reasonable cost of such removal and this agreement shall be a covenant running with the land for the benefit of Grantee.

Damages: It is understood and agreed that the Consideration received by Grantor includes adequate compensation for all damages for the initial construction and all operation and maintenance of the Project as well as all damages, if any, to Grantor's property which may occur in the future after the original construction of the Project, directly resulting from Grantee's exercise of its rights hereunder in connection with any Purpose stated above relating to the Project, or any part thereof. Grantee shall not be liable for damages caused by keeping the Easement Property clear of trees, undergrowth, brush, and obstructions.

Minerals: Grantor expressly reserves all oil, gas, and other minerals owned by Grantor, in, on and under the Easement Property, provided that Grantor shall not be permitted to, and shall not allow any

SAN PATRICIO ELECTRIC COOPERATIVE, INC. Section No. VI Sheet No. 16 party to, drill or excavate for minerals on or from the surface of the Easement Property but Grantor may extract oil, gas, or other minerals from and under the Easement Property by conducting all such extractions operations on adjoining land, by directional drilling or other means which do not interfere with or disturb Grantee's use of the Easement Property.								
Ownership: Grantor agrees that all poles, wires, cables, circuits, appurtenances, facilities and equipment installed upon the Easement Property shall at all times remain the personal property of the Grantee and are removable at the option of the Grantee.								
Assignments and Miscellaneous: This instrument, and the terms and conditions contained herein, shall inure to the benefit of and be binding upon Grantee and Grantor, and their respective heirs, personal representatives, successors and assigns. When the context requires, singular nouns and pronouns include the plural. When appropriate, the term "Grantee" includes the employees, contractors, and authorized agents of Grantee.								
Warranty: Grantor warrants and shall forever defend the Easement to Grantee against anyone lawfully claiming or to claim the Easement Property or any part thereof.								
(GRANTOR) (GRANTOR)								
Individual/Corporate Acknowledgment								
THE STATE OF TEXAS								
COUNTY OF								
This instrument was acknowledged before me on the day of, 20, by								
(Grantor)								
Notary Public, State of Texas								
After Recording, Return this Document to: San Patricio Electric Cooperative, Inc. P. O. Drawer 400 Sinton, Texas 78387								

APPROVED: 02/26/00 EFFECTIVE: 02/26/07