

SERVICE POLICIES FOR MIDSTATE ELECTRIC

POLICY #302

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* Use of the Male or Female gender in these policies shall include the opposite gender.

** Midstate Electric Cooperative, Inc. hereinafter called "Midstate" or "Cooperative".

1. PURPOSE

To achieve and maintain safe electrical service, and to insure that all members of Midstate receive uniform and equitable treatment.

2. SCOPE

These service policies constitute rules and regulations pursuant to Midstate's bylaws. They are binding upon all members of Midstate, and are a part of all oral and written contracts for furnishing and receiving electric service. Copies of these service policies shall at all times be available to members of the Cooperative upon request.

3. REVISION

These service policies may be revised, amended, supplemented, or otherwise changed at any time by action of Midstate's Board of Directors. These service policies cancel and supersede all previous rules and regulations or service policies.

4. CONFLICT

In case of any conflict between any provisions of any rate schedule and these service policies, the provision of the rate schedule shall apply.

In case of any conflict between Midstate's bylaws and these service policies, the provision of the bylaws shall apply.

5. PRIVACY POLICY

Midstate collects personal information about the member as part of the account set-up process. It includes information the member provides; such

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as: name, address, Social Security number, birth date, driver's license number, telephone numbers and information about the services the member has, such as account balances, etc. The information is used primarily for recordkeeping, capital credits, billing and to process payments.

Only employees or agents who need it to do their jobs are authorized to have access to member data. This data is protected and kept confidential. We maintain physical, electronic, and procedural safeguards that comply with federal and state regulations to protect member data.

Midstate may share the member data described above with other departments and employees. We may share it to serve you or maintain your account, or so that we can tell you about other products or services.

Midstate may share the member data described herein with other companies that perform services for us or on our behalf. This includes firms that provide mailing or marketing services for Midstate, or develop and maintain software for Midstate. We do this only if applicable federal and state laws allow this disclosure. We may disclose it as permitted or required by law, for example, to law enforcement officials in response to subpoenas, or to prevent fraud.

Midstate's sharing of member information is limited by law and member's written authorization.

6. APPLICATIONS

(1) MEMBERSHIPS

To obtain electric service from Midstate a membership is required. Members are required to pay a non-refundable membership fee (see Schedule of Fees and Charges) and complete and sign a membership application form. Member's signature must be notarized if not presented in the Midstate office. A government-issued photo identification will be required for natural persons. Other non-natural business memberships will need to provide a completed W-9 form and membership application form.

Refer to Midstate's bylaws for additional rules and regulations.

Membership Options:

- (a) SINGLE MEMBERSHIP
One individual (natural person at least 18 years old)
- (b) JOINT MEMBERSHIP

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Husband and wife (consists of one man and one woman, or defined by state law currently in effect, both natural persons and both at least 18 years of age.

(c) **OTHER MEMBERSHIP**

Consists of any non-natural person such as a firm, association, corporation or body politic. Midstate will require this membership type to furnish their Federal Tax I.D. Number.

Each membership is entitled to one and only one vote according to the Cooperatives bylaws.

Memberships are terminated as outlined in Midstate's Bylaw 2.5 - Termination of Membership. Terminated memberships will be reinstated when the former member establishes an active account with Midstate. Reinstated memberships will not be required to pay the non-refundable membership fee.

(2) **SERVICE**

Applicants for electric service are required to supply Midstate with information relating to service requirements, and the manner in which power will be utilized. A member will be asked to provide positive identification before receiving any assistance on an account.

The "Membership Application" is a request for service only and does not, in itself, constitute a contract for service until Midstate actually delivers electric service to the member or as otherwise defined in Midstate's Line Extension Policy.

A member who wishes to have electric service in their name, should provide notice to Midstate's office 3 business days in advance of the effective date.

Applicants for service may be required to pay a deposit before delivery of electric service.

All past due amounts on existing accounts must be paid prior to setting up a new account.

Members applying for service at a location where utilities have been disconnected as a result of nonpayment or an unpaid balance still exists may be required to provide a rental agreement signed by the landlord or proof of ownership. Any individual listed on the rental agreement or escrow paperwork

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who resided at the location when the unpaid utilities occurred will be required to pay the utility in full before activating service.

Midstate reserves the right to refuse to connect or may disconnect electric service for any violation of the service policies or other rules, including, without limitation, failure to pay electric service charges when due, violation of contract provisions, fraud, dangerous or emergency conditions, for theft or illegal diversion of energy, any unauthorized use, or to protect Midstate employees, other members, Midstate property, or the property of others.

7. DEPOSITS

Since electric power is used prior to being billed, Midstate Electric may require a deposit prior to connection or to continue service as a guarantee of payment.

Interest will be paid on deposits, equal to the rate paid on the United States National Bank's Passbook Savings Account at the end of the previous year. If the deposit is held beyond one year, accrued interest will be paid by a credit to the member's account. If held less than one year, interest will be prorated.

Deposits may also be refunded or credited to the account at any time at the discretion of Midstate Electric. Normal refunding or crediting occurs after the member has established 12 continuous months of on-time payments with no past dues.

Required deposits are added to accounts for the following reasons (minimum deposits may apply):

- Disconnect of service for nonpayment
- 5 past due notices in the previous 12 months followed by a 10-day disconnect for nonpayment
- Power diversion or meter tampering
- Leaving unpaid balances turned over to collection
- Filing for or having filed bankruptcy
- Opening additional accounts when existing Midstate accounts have poor credit history
- Returned checks or Electronic Funds Transfers (EFTs)
- Declined credit/debit cards

Upon termination of service, deposits will be credited to the account. Terminated accounts with a balance owing will be processed as outlined in Section 10 Sub-Section (3). Terminated accounts with a credit balance will be processed as outlined in Section 8, Closing Bills.

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In the event that a member wishes to use Prepaid Billing and the rate class is not residential, Midstate Electric will require a minimum of 15 days deposit to be held until the member decides to end service.

(1) RESIDENTIAL RATE CLASS

The member's options regarding payment of deposits are:

- (a) Pay the required amount
- (b) Establish a Prepaid Metering account

The deposit requirement for residential service will be determined by the member's established credit based on the following:

- (a) Credit rating from a recognized credit bureau based upon Midstate's credit criteria, or
- (b) Established credit history with Midstate for 12 continuous months

The amount of the deposit is based on member's established credit history and will be:

- (a) Good credit history- no deposit required
- (b) Marginal credit history -2 times the highest monthly bill for the service location's previous 12 month's historical usage.
- (c) Poor credit history - 3 times the highest monthly bill for the service location's previous 12 month's historical usage.

New construction members unable to establish good credit history will be charged a minimum deposit.

(2) GENERAL SERVICE RATE CLASSES

To determine if a deposit will be required for General Service, either of the following will be used to establish the member's credit history:

- (a) The prospective General Service applicant must provide proof of prior service either with Midstate or another electric utility for a period of 12 consecutive months within the past 24 consecutive months with no late payments. In the event the service is being established by a natural person, Midstate may use a credit rating from a recognized credit bureau.

- (1) The credit history must be in the same name as the applicant or business applying for the service.

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- (2) The credit history must be the same rate class.
- (b) Provide Midstate with an assignment of either:
 - (1) Surety Bond
 - (2) Irrevocable Letter of Credit from a bank of Midstate Electric's choosing.Such assignments may be subject to annual review and renewal based on members' credit.

SINGLE PHASE AND 3 PHASE GENERAL SERVICE RATE CLASSES

The amount of the deposit will be:

- (a) Good credit history- no deposit required
- (b) Marginal credit history -2 times the highest monthly bill for the service location's previous 12 month's historical usage.
- (c) Poor credit history - 3 times the highest monthly bill for the service location's previous 12 month's historical usage.
- (d) New construction services, members unable to establish good credit history will be charged 3 times the highest monthly bill based on Midstate engineer's estimated usage for that service based on a 75% load factor.

IRRIGATION RATE CLASSES

The deposit for this service class will be a 3 month highest bill based on the service location's historical usage during the previous irrigation season.

The deposit for a new service or where the service location lacks full historical usage for the previous irrigation season, will be 3 times Midstate Electric's estimated highest monthly usage for the service using the seasonal rate at a 75% load factor.

In place of deposit, Midstate may also be provided an assignment of either;

- (a) Surety Bond
- (b) Irrevocable Letter of Credit from a bank of Midstate Electric's choosing.

Such assignments may be subject to annual review and renewal based on members' credit.

(3) **INDUSTRIAL RATE CLASSES**

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The deposit for this service class will be a 3 month highest bill based on the service location's previous 12 month's historical usage.

The deposit for a new service or where the service location lacks 12 months of historical usage, will be 3 times Midstate's engineer's estimated highest monthly usage for the service.

In place of deposit, Midstate may also be provided an assignment of either;

- (a) Surety Bond
- (b) Irrevocable Letter of Credit from a bank of Midstate Electric's choosing.

Such assignments may be subject to annual review and renewal based on members' credit.

(4) ELECTRIC VEHICLE CHARGING CLASSES

The deposit for this service class will be a 3 month highest bill based on the service location's previous 12 month's historical usage.

The deposit for a new service or where the service location lacks 12 months of historical usage, will be 3 times Midstate's engineer's estimated highest monthly usage for the service.

In place of deposit, Midstate may also be provided an assignment of either;

- (a) Surety Bond
- (b) Irrevocable Letter of Credit from a bank of Midstate Electric's choosing.

Such assignments may be subject to annual review and renewal based on members' credit.

8. BILLING

Meter Reading. Meters shall be read monthly, or, at Midstate's discretion, at other periodic times. Midstate will, as nearly as possible, read meters on the same cycle date - but because of holidays, Saturdays, Sundays and difference in the lengths of months, variations may occur. Midstate reserves the right to modify meter reading schedules as required. If, for any reason, a meter reading cannot be obtained for any particular period, Midstate may estimate the reading and render a bill based on this estimate. Midstate may utilize electronic technology to read meters.

Cycle Billing. The Cooperative cycle bills the first 4 Tuesdays of the month. In those months where a holiday falls on the billing date, the Cooperative has the

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option to bill the day before or the day after the holiday. All cycle billings are due 20 days from date of billing. A Late Payment Charge will be imposed on delinquent accounts (see Schedule of Fees and Charges). Accounts become delinquent if payment is not received prior to the next month's billing.

Midstate reserves the right to change a member's billing date for the purpose of coordinating the meter reading routes and geographic locations. Midstate also reserves the right to change billing dates to improve methods of operation.

Paperless billing is available to members that make the request through on-line bill payment (www.midstateelectric.coop). With paperless billing, a paper bill will not be mailed. The member will receive an email notifying them their bill is available to view on-line through Midstate's on-line bill payment. Paperless billing is not available to members on invoice/summary billing.

Prepaid Program. Residential and General Service meters with demand less than 48 kW and non-CT (current transformer) meter members have the option to sign up for Midstate's prepaid metering program. The Prepaid Program offers the opportunity to pay when you want, in the amounts you want. Instead of receiving a traditional monthly billing, usage is calculated daily and applied towards your prepaid balance. There is a monthly charge (see Schedule of Fees and Charges) in addition to the facility charge and energy charge. But as a Prepaid Program member, you do not pay a deposit or late charge and are not billed disconnect and reconnect charges if the account runs out of credit. In the event a rate class other than Residential or General Service meters above wishes to use the prepaid program and we are able to accommodate the member, there will be a deposit referred to in the deposit section and there will be disconnect and reconnect charges if a Midstate employee is required to disconnect or reconnect manually. The prepaid program is completely optional and by participating in this program the member agrees to all items within the most current Power Pay Service Agreement.

Closing bills are due and payable on presentation. Net credit balances from closed accounts may be transferred to the member's active electric service of the same rate class or if the member does not have an active account the credit balance will be refunded. All closed accounts with balances remaining unpaid 30 days after the final bill date will be referred to our collection agency.

Request for Records: Records available are limited to the records maintained per our Records Retention Policy. Members may be required to pay a Service Charge for records on accounts (see Schedule of Fees & Charges). Most account information is available online at no cost. Cost estimates and completion times will be provided at time of request.

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(1) A Budget Payment Plan that permits monthly payments of approximately 1/12th of the annual electric service cost. Under this plan, the member, although receiving a regular monthly bill, pays only the estimated average monthly amount of the previous 12 months of bills.

Residential and Single Phase General Service accounts qualify for this program, provided they have the same service address for 12

continuous months. Budget accounts will recalculate in November, although accounts with larger balances may require more frequent review. Midstate reserves the right to adjust the monthly payment requirement at any time to compensate for abnormal debit or credit balances. Midstate will notify the member of any changes either by phone, mail or other electronic means.

A member on the budget payment plan may remain on the plan until such time as the member moves from the address where the plan was used, or the member notifies Midstate to terminate their participation in the plan, or if a monthly budget payment is late once during the preceding 12 months. If a member's account is removed from budget billing the actual balance owing is due.

The requirements for a member to set-up the budget payment plan are:

- (a) Any existing balance paid in full.
- (b) Must have 12 months of consumption history.
- (c) Must maintain good credit history.

The plan is meant to be a convenience for those who choose to use it; no one is obligated to participate.

(2) A Preferred Billing Date that allows the member to select or change to a different billing cycle. The member may change their billing date once in a 12-month period. Midstate will establish the terms and conditions under which the preferred billing date option will be extended. The Member must maintain perfect credit history and must sign-up for budget billing. If member becomes delinquent, the account will be reset to original/correct billing cycle for service address. Member will be notified by mail, phone or email if billing cycle is reset to original billing cycle.

9. PAYMENT OPTIONS

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Members may make payments to Midstate by cash, check, money order, credit card, Electronic Funds Transfer (EFT) from checking, savings or credit card, on-line bill payment (www.midstateelectric.coop) or any other approved payment method. Payments may be made to us by mail, in our office, outside drop box, outside payment kiosk, automated phone system, approved offsite payment stations, or online. Midstate may add or delete any option listed above at Midstate's discretion. See Termination of Service for information on termination for NSF's and returned bank items.

10. TERMINATION OF SERVICE

A member who wishes electric service discontinued should provide notice to Midstate's office 3 business days in advance of the effective date. The outgoing member will be held responsible for service rendered between the time of notification and actual service termination. This does not apply to special contracts or rate schedules containing contractual provisions.

Midstate may refuse to connect, or may disconnect service for violation of any of its rules and regulations; for failure to pay electric service charges when due; for failure to pay deposits; for failure to make or abide by the terms of a payment arrangement; for providing false identification; for unsafe conditions; for violation of rate schedule or contract provisions; for theft or illegal diversion of energy for emergencies endangering life or property. Discontinuance of service for any of these causes does not release the member from the obligation to pay for energy received, or charges specified in any existing contract.

Midstate will terminate a member's electric service for non-payment of electric charges only as outlined in the following provisions (unless on prepaid):

- (1) Termination Criteria - Account has a past due balance and the past due constitutes 2 consecutive months past due or the third or more months past due during the previous 12 month period.
- (2) Initial Notification - Midstate shall provide initial notification of proposed termination on the face of the monthly billing statement. Proposed termination date shall not be less than 15 days from the date of the issuance of the billing statement.
- (3) Notice of Termination - Midstate shall give at least 10 days written notice to the member before termination of service. The notice shall contain:
 - (a) A clear explanation of the reasons for termination.
 - (b) The amount to be paid to avoid disconnection.

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- (c) The date of the proposed termination, such date shall not be less than 10 days from the date of the issuance of the notice.
 - (d) Information on installment payments.
 - (e) An explanation on submitting an Emergency Medical Certificate.
 - (f) A statement to contact Midstate for information on agencies which may be able to provide financial aid.
- (4) Processing Notice of Termination - The Notice of Termination shall be mailed to the last known address of the member or a third party designated by the member to receive notices or shall be personally served. For purposes of explanation of personally served or personally delivered, this includes hanging a notice on the door. This process shall be deemed complete as of the date of mailing or personal delivery.
- (5) Contact Prior to Termination -
- (a) At least 48 hours prior to the proposed termination of service, Midstate shall attempt to contact the person in possession of the residence, and the member or his designated representative, in an effort to inform them that termination is imminent, and determine the reason(s) the member has not responded to the Notice of Termination.
 - (b) When Midstate has an in-person or telephone conversation with a member or an adult at a residence, and the circumstances are such that a reasonable person would conclude the member or the adult at the residence does not understand the possible consequences of disconnection, Midstate will notify the Department of Human Services; and delay the proposed disconnection date for 5 additional business days.
 - (c) Procedures used, and efforts made, by Midstate to make personal contact under this section shall be documented. If personal contact cannot be made, the Customer Service Supervisor shall be notified before termination and a notice that service has been terminated shall be left in a conspicuous place at the residence where service was terminated.
- (6) Designation of Third Party to Receive Notice - Midstate shall offer its members the option to designate a third party to receive notices set forth above. This option shall be available at the member's request, or if the member appears to have a communication problem. Request must be in writing.

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(7) Information Relating to Financial Assistance - Prior to terminating service, Midstate shall make every effort to inform residential members who cannot pay their bills of the names and telephone numbers of appropriate units within the Oregon Department of Human Service and other social service agencies which can help the member determine what federal, state or private aid may be available to that member.

(8) Installment Payments -

Midstate may allow a member to arrange installment payments for purposes of payment of past due amounts, as long as the member has not failed a written arrangement in the previous 12 months.

Termination will not take place if, prior to the proposed termination date, the member pays the greater of \$50.00 or 25% of the total amount due and enters into a written installment payment plan with the utility (that is in addition to the member's current monthly billings), designed to bring the account into balance no later than 4 months from the date of the agreement. The installment amounts must be \$50 or greater. Arrangements **WILL NOT** be accepted the day of termination.

Member/Member's non-compliance with a signed Payment Agreement shall be cause for termination of electrical service without further notice.

(9) Disconnection -

If a payment is not received before the service disconnect date, the account will be placed on the Non-Pay Disconnect List, unless you have a prepaid account.

A trip charge will be assessed when Midstate personnel /authorized agents are at member's location and payment is made (Payment at member's location or via alternative method).

Irrigation services may be disconnected during the offseason for operational efficiencies. Service will be reconnected at no charge if no past due balance exists.

Whenever electric service has been disconnected for non-compliance with service policies, or for non-payment, or for fraudulent use, the service will not be reconnected until the situation requiring such disconnect has been corrected to the satisfaction of Midstate.

(10) NSF's and Returned/Declined Bank Items -

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There is a Returned Check Charge for any NSF (non-sufficient funds) check, stop payment, closed account, or any other reason that it is returned to Midstate by Midstate's bank or other financial institution upon which it is drawn. There is a refused automatic bill payment charge for declined Electronic Funds Transfers (EFT), declined 3 or more times in a 12 month period. There is a declined or disputed credit/debit card charge for all declines in which the card(s) is declined 3 or more times in a 12 month period. These charges are per item returned. (See Schedule of Fees & Charges). Member will be placed on cash only, when the member has either had 2 NSF's in a 12 month period, 2 refused EFT's in a 12 month period, 2 declined or disputed credit/debit cards in a 12 month period or paid an NSF to avoid shut-off. A deposit will also be required from the member. If account remains unpaid, it is subject to termination. No payment arrangements will be made on any NSF's or returned bank items.

(11) Dispute Resolution-

- (a) Any member may dispute Midstate's decision to terminate service, or its refusal to restore service, by notifying the Member Service Supervisor at Midstate, P.O. Box 127, 16755 Finley Butte Rd La Pine, 97739. Notification must be made in person, or in writing.
- (b) Pending resolution of the dispute, the member's obligation to pay undisputed amounts continues.
- (c) A member who has a dispute pending with Midstate shall be entitled to continued or restored service provided:
 - (1) Service was not terminated for theft of service or failure to establish credit.
 - (2) Where termination is based on nonpayment, the member makes adequate arrangements to avoid future loss to the utility, such as pre-paying monthly utility charges or taking advantage of Midstate's auto payment plan options.
- (d) Every reasonable effort shall be made to accommodate the member in these matters, including timely resolution of complaints and disputes.

(12) Restriction on Residential Service Termination -

- (a) Weekends and Holidays-

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Residential service shall not be terminated on, or the day prior to, a weekend or holiday. Midstate may disconnect on a Friday or the day before a state or utility recognized holiday for failed payment arrangements where the member mutually agreed upon the payment due date and for those members on prepaid metering with a negative balance.

- (b) Midstate shall not terminate residential service to a member for failure to pay for a non-residential service, or for violation of rules and regulations in connection with non-residential service.

(13) Emergency Medical Certificate (does not apply to prepaid accounts) -

(Primarily used for notification during planned outages)

Midstate will postpone the disconnect of a residential service if the member submits an Emergency Medical Certificate from a licensed physician, nurse practitioner, qualified registered nurse or physician's assistant stating that disconnection will significantly endanger the physical health of the member or an individual of the member's household. If a Midstate representative is at the door to disconnect service and is informed by the resident of a medical condition, Midstate will allow 24 hours to have a medical professional verbally confirm the medical condition and necessity for power. If we do not receive a verbal confirmation within 24 hours we will disconnect service the following day. Verbal notices from medical providers must be confirmed in writing and received in our office within 14 days. If Midstate does not receive the medical certificate in writing within 14 days we will send a 5 day disconnect notice before disconnecting service. If account is scheduled for disconnect, the Emergency Medical Certificate must be submitted prior to the scheduled disconnect date. Certificates for conditions that are not chronic must be renewed every 30 days. Midstate may verify the accuracy of an Emergency Medical Certificate. If Midstate believes the member does not qualify, or no longer qualifies for a medical certificate, Midstate will terminate the electric service if an overdue balance exists and written payment arrangements are not made or kept.

A member submitting an Emergency Medical Certificate is not excused from paying for electric service. Within 20 days of filing an Emergency Medical Certificate a payment arrangement must be made if there is a past due balance. If Midstate does not receive a written payment arrangement within 20 days we will send a 5 day disconnect notice before disconnecting service.

If the member fails to abide by the terms of an existing arrangement, Midstate may disconnect service without further notification.

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A member with a "Failed Payment Arrangement" within the last 12 months will not be allowed to make a written arrangement until a 12 month good pay history is established.

If the member is not using the form provide by Midstate, a written Emergency Medical Certification must include:

- (a) The name of the person to whom the certificate applies and relationship to member;
- (b) A complete description of the health conditions;
- (c) An explanation how the health of the person will be significantly endangered by the termination of service;
- (d) A statement indicating how long the health condition is expected to last;
- (e) A statement specifying the particular type of utility service required (e.g., electricity for respirator)
- (f) The signature and date of the qualified medical professional prescribing medical care.

A back-up power system or plan is advised. If the member is going to install a back-up power system, please contact Midstate for code guidelines to safely install the system.

(14) Requirements for Restoration of Service -

Except as provided in the Dispute Resolution Section during the pendency of appeals, or unless otherwise ordered by the Customer Service Supervisor, if a residential member's service has been properly terminated under the provisions of Subsection (1) to (12) of this Section, Midstate shall not be required to restore service without payment of any overdue amounts, together with any other deposits, guarantees, and re-connection fees authorized under Midstate's service policies. (See Schedule of Fees and Charges and Schedule of Deposits).

11. SERVICE CHARGE

Whenever there is a change of membership at an established service address (metered and/or security lighting), the connection of a disconnected security light or a new service established (metered and/or security lighting) there will be a non-refundable Connect/Reconnect/Transfer Charge (see Schedule of Fees & Charges).

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If a reconnect is requested after hours or a connect is requested for the same day, After Hours charges will apply as shown on the Schedule of Fees & Charges.

(1) Landlord Agreement -

Landlords wanting to take advantage of our Landlord Status Agreement must fill out our Landlord Status Agreement form. Each time a renter disconnects service, the service is automatically transferred into the Landlord's name. Landlord will be required to pay the connect charge each time it is put back into the landlord's name. In the event the power is disconnected due to the renter not paying their bill, the power will not automatically transfer back into the landlord's name.

Landlord is responsible for termination of agreement. When you wish to be taken off of Landlord Status, you must sign and return the bottom of your copy of the form to Midstate.

To qualify for landlord status, members must meet Midstate's credit requirements and have no security deposit on any account. Landlords requiring a security deposit on their account or not meeting Midstate's credit requirements will be removed from landlord status.

12. ADJUSTMENTS

(1) Taxes -

The amount of any and all taxes (including but limited to Use and/or Franchise taxes) imposed upon revenue, kilowatt hours, properties, or any other form of tax imposed by any governmental authority upon Midstate, may be apportioned by the Board of Directors to the territory in which such tax, or taxes, may be effective; and among the various classes of service furnished therein. Such amounts shall constitute a charge in addition to any amount which may be billed to any member under any rate schedule or special contract.

(2) Billing Errors -

If an under or over billing occurs, Midstate will provide written notice to the member detailing the circumstances, period of time and amount of adjustment.

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If it can be shown that the error was due to some cause, the date of which can be fixed, the over or under charge shall be computed back to such date. If no date can be fixed, the utility shall refund the overcharge or rebill the undercharge for no more than 6 month's usage. In no event shall an under billing be for more than 3 years usage. Where a member is required to repay an under billing, the member shall be entitled to enter into a payment agreement that is in addition to current energy charges without regard to whether the member already participates in such an agreement, except in those cases where it has been determined such under billing was due to fraud.

(3) Transfer of Balance Owing -

Balances owing on terminated services may be transferred to a member's active account of the same rate class.

13. RESALE OF ENERGY

The rate schedules cover the distribution of electrical energy for the sole and exclusive use of the member. Except by agreement with Midstate, no member shall connect his service with that of another person, or in any way resell, rebill, or supply any other person or premises with electric energy through his service.

In compliance with Oregon statute ORS Title 10, Chapter 90, landlords opting to have power in the landlords name and reselling power to renters, may not charge more for the power than the renter could purchase from Midstate directly.

14. RIGHTS-OF-WAY AND RIGHTS-OF-ACCESS

Midstate shall be granted, at no cost and in writing suitable for recording, all rights-of-way and easements necessary to serve the member, overhead or underground, for the erection, maintenance, repair, replacement, removal, or use of all wires, poles, machinery, fixtures, or equipment needed to supply and deliver electric service to the member. Midstate, through its authorized employees and contractors, shall have access to its equipment at all times for the purpose of reading meters (this includes the removal of all obstacles including pets, that may constitute a hazard), and testing, repairing, or replacing any equipment which is the property of Midstate. If such equipment is so located that locks or security devices must be operated to reach it, Midstate shall be provided appropriate access. This may require the use of a Midstate lock in conjunction with the member's security. Any changes to your equipment or fees and permits are the member's responsibility. Midstate may

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cut and trim trees and shrubbery on member's property to the extent necessary to keep them clear of Cooperative property.

Unrestrained animals present a serious safety threat to Midstate employees and agents. Should a Member's animal inhibit or prohibit Midstate employee's or contractors access to the premises, or interfere in any way with Midstate employee's or contractors necessary work, the Member will be notified by mail of the problem and a mutually agreeable permanent solution must be arranged promptly. If a Member does not comply with such a request, Midstate may disconnect service without further notice.

15. DAMAGE TO MIDSTATE PROPERTY

The member shall take all reasonable and proper precautions to prevent damage to Midstate's property and facilities on the member's premises. In the event that property of Midstate is damaged, Midstate may collect, from the responsible party or member responsible for account service, the cost of repairs or replacement (see Schedule of Fees).

16. DAMAGE TO CONSUMER/MEMBER PROPERTY

It is the goal of Midstate to provide reliable energy; however Midstate is not financially responsible for damage sustained to personal property as a result of power voltage fluctuations or power disruptions for which we were not negligent for the cause. We encourage you to obtain home owners or renters insurance that will protect your property in the event of power voltage fluctuations or power disruptions.

17. YARD LIGHTS

All Yard Lights will be on in the field and active in the billing system. Disconnecting and/or reconnecting security lights may take longer than 3 days to be completed. Regular service work and outages take priority over yard lights.

Requests to disconnect a yard light:

Property owners have the following options:

- Place light on a yard light only account that will be billed separate if house service is off and light will be on:
 - Selling house/property. Cannot leave light off until house sells.
 - Seasonal vacation, i.e. "snowbirds".
- Retire the light. Request must be in writing.

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- A renter cannot request a light be retired. The property owner needs to contact Midstate to discuss placing the light on a separate light only account or retiring the light.
- Exception (moths only)
 - Temporary Disconnect due to Moths. Monthly charges will continue, Disconnect and Reconnect charges will apply. Light will be reconnected after 90 days.

18. ATTACHMENTS TO MIDSTATE PROPERTY

Midstate does not allow any member equipment or material to be attached to its property, except where said equipment and/or material is required to provide electrical service and said equipment and/or material has been authorized by Midstate.

19. ADDITIONAL LOAD

If the member desires to increase their power requirements materially, the member shall notify Midstate sufficiently in advance so that Midstate may, if economically feasible, provide the facilities required to serve the increased load. If the member's additional load increases, the member may be responsible for additional costs. If the member fails to notify Midstate, and as a result Midstate's equipment is damaged, the member may be liable for the cost of such damage.

20. HIGHLY FLUCTUATING LOAD

For highly fluctuating and intermittent loads which seriously affect voltage, such as large motors, saw rigs, x-ray machines, etc., Midstate may require a contract for service, which will take into consideration such additional equipment as deemed necessary to maintain satisfactory service to other members. The member may be required, however, to install at his own expense, regulative equipment to control such fluctuation. A power factor charge may apply to these loads.

21. INTERRUPTIONS OF SERVICE

Midstate will attempt to provide satisfactory and uninterrupted electric service; but cannot and will not guarantee such service, and shall not be liable for injury, loss, or damage resulting from any failure or curtailment of electric service; nor shall failure or curtailment constitute a breach of contract. Whenever necessary, for the purpose of making repairs or improvements to its system, Midstate shall have the right to temporarily suspend the delivery of electric energy; but in such cases, Midstate will give reasonable notice, if

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circumstances permit, and attempt to schedule its activities to the member's convenience.

22. NOTICE OF TROUBLE

Midstate will endeavor to give the best possible service to its members at all times. The member can materially assist Midstate in fulfilling its purpose by promptly notifying Midstate of any defects, trouble, or accident affecting the supply of electricity, or in the event service is unsatisfactory for any reason.

23. MEMBER'S POWER OUTAGE

If the member's service fails, member shall endeavor to determine if there are blown fuses, a tripped breaker, or if equipment is at fault before calling Midstate. If a serviceman is sent out at the member's request, and it is determined that the member's equipment is at fault, a fee may be charged (see Schedule of Fees & Charges)

24. RADIO AND TV RECEPTION INTERFERENCE

Midstate will investigate reports of interference to radio and television reception, and will take action to correct the condition causing the interference, provided the interference is found to be caused by Midstate's facilities. However, Midstate will not repair or replace any defective part of any radio or television, nor will it perform repair or replacement services to such appliances.

25. METERS

(1) Meter Testing –

Midstate will test and inspect its meters to ensure a high standard of accuracy. Midstate will, upon reasonable request, test any member's meter. If the meter is found, upon test, to deviate (+ or -) more than 2% under normal conditions of the member's electric load, the member's billing will be adjusted as outlined in Section 10 Subsection (2).

Each member is allowed one no charge office meter test per account every 3 years or as deemed necessary by Midstate. Each additional office test requested by the member will require a charge (see Schedule of Fees & Charges), except in those cases where the meter fails to pass the above stated criteria.

(2) Meter Tamper –

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The meter is the property of Midstate and shall not be jumped, tampered with, moved, disconnected, or de-energized, except by authorized Midstate employees and/or authorized Midstate contractors. In the event that Midstate's meter is tampered, Midstate will collect, from the responsible party, property owner or member responsible for account service, the cost of repairs or replacement, a tamper fee (see Schedule of Fees & Charges) a deposit, the full balance owing, and full amount owed on account up to and including usage (actual or estimated) while tamper was in place.

(3) Meter Ownership –

Midstate will determine the type of meter to be used to measure the energy consumption and will retain ownership of the meter.

(4) Remote Disconnect/Reconnect Meters –

The Cooperative shall install a remote connect/disconnect meter due to: accounts at remote locations, accounts that are opting into our prepay program, locations that have had a minimum of 3 visits by serviceman for collections or disconnection due to non-payment, or any other situation where Midstate deems it to improve safety.

26. COGENERATION/NET METERING

It is the policy of Midstate to comply with all applicable federal and state laws and regulations in connection with proposals that Midstate purchase power from cogeneration and small power production facilities.

27. BACKUP GENERATORS

All backup generators must be installed in accordance with the NEC (National Electric Code) and have a double-throw safety switch installed. Failure to meet this requirement could result in personal injury, or death or damage to the generator. Failure to keep the backup generator in compliance with the NEC will result in Midstate's disconnecting the electric service without further notice. Reconnection will only be done after it is confirmed that the backup generator is installed in compliance with the NEC.

28. LINE EXTENSION

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In general, Midstate will extend its lines to all permanent loads within Midstate's established service area as outlined in Midstate's Line Extension Policy.

For all line extensions, Midstate shall retain and have ownership and control of all material, service wire, (excludes masts and service entrance wires within the masts with overhead services, meter bases and meter base parts with all services), connections and facilities on Midstate's side of the meter, including the meter, regardless of contribution in aid of construction payments made by the member, and further may make additional connections in the future on such extensions.

Reference Midstate Board Policy #301 Line Extension Policy, for detailed information regarding line extensions.

29. **SEASONAL ACCOUNTS**

Midstate Electric Cooperative does not offer a seasonal rate or a disconnect/reconnect option exempt from charges. All members are required to pay the applicable basic service charge on a year-round basis. This charge supports the ongoing maintenance of infrastructure—including power lines and equipment—serving each account, irrespective of active electricity usage. The cooperative's obligation to maintain system reliability and financial stability necessitates that all members contribute equitably to the costs of operation. The basic service charge ensures that these costs are distributed fairly and prevents undue financial burden on other members.

For service addresses utilized on a seasonal basis, the following provisions apply:

- If an account is closed and subsequently reopened at the same service address within a twelve (12) month period, the member shall be responsible for payment of all facility charges accrued during the inactive period.
- This provision is based on property ownership and applies specifically to the service address. It is non-transferable between separate accounts within the same household.

Members may manage temporary service interruptions through one of the following options:

1. **True-Up Option:** Disconnect service and pay a reconnect fee. All missed facility charges will be due in full or billed on the first invoice following reconnection.
2. **Breaker Flip Option:** Maintain active service by turning off the breaker while away. Monthly facility charges will continue to apply, thereby avoiding reconnect fees and preserving service continuity.

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30. SCHEDULE OF FEES & CHARGES (all fees & charges are non-refundable)

Membership Fee-	\$ 5.00
Prepaid Meter Charge (monthly)-	\$ 6.00
Connect/Reconnect/Transfer Charge-	
- Without Service Location Visit	\$ 25.00
- With Service Location Visit	\$ 40.00
- After Hours, Weekends, Holidays or Same Day Connect	\$ 150.00
- New Account Connect After Hours, Weekends, Holidays	\$ 350.00

Late Payment Charge- Whichever is greater \$5 or 1½% on the balance owing prior to billing if not paid before the next billing.

Disconnect/Collection/Trip Charge- \$ 40.00

Returned Check, EFT, Declined or Disputed Credit/Debit Card Charge- \$ 30.00

Records Retrieval Charge –Per account- \$ 25.00

Meter Install Charge for Difficult Access - \$ 145.00

Service Call - Member Problems- \$ 150.00

Service Call - Damage to Midstate Property- Actual Cost

Meter Tamper Charge -1st Tamper- \$ 250.00

2nd Tamper- \$ 500.00

3rd Tamper- \$ 1,000.00

Meter Test Charge (second request)- \$ 40.00

30. Schedule of Rates

Rate schedules are available on Midstate’s website (www.midstateelectric.coop) or in our office

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SERVICE POLICIES FOR MIDSTATE ELECTRIC

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Re-Approved: *Donald R. Case*

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