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GENERAL STATEMENT

I. PURPOSE OF TERMS AND CONDITIONS OF SERVICE

These Terms and Conditions of Service are designed to govern the supplying and taking of electric service in such a manner as will secure for each Member the greatest practicable latitude in the enjoyment of his service that is consistent with good practice and safety to other Members and Members and to the Cooperative. They supersede and cancel all previous policies or regulations pertaining to the supplying and taking of Cooperative's electric service.

II. APPLICABILITY

These Terms and Conditions of Service, and any modifications thereof and additions thereto lawfully made, are applicable to all standard service agreements and contracts now existing or which may be entered into by the Cooperative and to all rate schedules which from time to time may be lawfully determined and adopted.

III. DEFINITIONS

The following expressions when used in these Terms and Conditions of Service, in Rate Schedules, and in Service Agreements shall unless otherwise indicated have the meanings given below.

- Applicant: Any person, firm, corporation or public body requesting electric service from the Cooperative.
- Commission: The Corporation Commission of Oklahoma.
- Cooperative: Lake Region Electric Cooperative, Inc.
- Member: Any person, firm, corporation, or public body who has complied with the requirements for Membership as provided in the Cooperative's By-laws, its Terms and Conditions of Service, and has been accepted by the Cooperative's Board of Trustees, and is being or will be supplied electric service by the Cooperative.
- Primary: Electric lines energized above 600 Volts
- Secondary: Electric lines energized at or below 600 Volts

IV. GENERAL SOURCES OF AUTHORITY

- a. The Rules, Regulations and Minimum Standards governing and regulating the operations of electric service utilities adopted by the Oklahoma Corporation Commission.
- b. The By-laws of as approved and amended from time to time by the Membership of the Cooperative.
- c. The policies adopted by Lake Region Electric Cooperative's Board of Trustees.
- d. Federal and Oklahoma laws applying to the operation of Rural Electric Cooperatives.

TERMS AND CONDITIONS OF SERVICE

Revised February 9, 2021

PART I

GENERAL INFORMATION

101. APPLICATION

Every Member, before obtaining service, shall make written application, in person, (unless waived by the Cooperative) to the Cooperative for service at the rates applicable. The written application for service when signed by the Member, accepted, and approved by the Cooperative constitutes a contract.

A single Membership application may be made to apply to different locations, or to cover more than one meter at the same location to be used by the same Member. Each separate meter will require its own application for service including any applicable fees.

Every application for service shall be made in the true name of the Member, desiring the service. In case of violation of this provision, the Cooperative may discontinue service at such location.

The contract for service is not transferable by the Member, and a new occupant of the premises must make a new application, in person, to the office of the Cooperative before service is begun.

The applicant must furnish all information required by the Cooperative, including but not limited to all permits and easements required to enable the Cooperative to supply service, except those for public space.

All contracts for service are under the scheduled rates of the Cooperative, except those that make a definite exception, are effective for initial periods of one year and are automatically renewed upon each expiration date on a month to month basis unless cancelled by either party. The Cooperative may require a contract for a period of more than one year when the Member's requirement for power energy are unusually large, or necessitates considerable special or reserve equipment and in such cases may require payment by the Member of such charges and amounts as may be necessary to protect the investment of the Cooperative.

Except for residential Members, the contract shall, at the option of the Cooperative, cease and terminate with all bills for service previously furnished immediately becoming due and payable without further notice in case any act of bankruptcy is made or committed by the Member, or any petition, either voluntary or involuntary, is filed by or against the Member in bankruptcy.

102. DEPOSIT FOR BILLS

The plan for requiring deposits as a protection against loss on bills from this Cooperative is as follows:

102.1. NEW MEMBERS

A security deposit is required on all new accounts.

102.1.1. For a Member seeking to establish a permanent residence the amount of the security deposit will be equal to two times the highest bill for that location for existing services or \$300.00 for a new construction. However, this security deposit can be waived under the following circumstances:

102.1.1.1. A new Member may choose to have the Cooperative perform a credit check to determine if a security deposit is needed (\$5.00 credit application fee paid by Member). If the credit check indicates that a security deposit is not required, the deposit amount will be waived.

102.1.1.2. In lieu of a deposit, Members whose services can be served by a self-contained meter with a disconnect relay may opt in to the Cooperative's pre-paid billing program described in section 104.2.

102.1.2. For members not establishing a permanent residence the amount of the security deposit will be equal to \$300 or two times the highest expected monthly bill for that location, whichever is greater. The estimate for the bill will be based on the appropriate rate tariff and:

- past energy consumption and demand, if applicable
- electrical usage information provided to the Cooperative by the Member from an engineer or electrician's estimate
- energy consumption information from a similar facility known to the Cooperative
- historic energy consumption records from a similar existing facility the Member owns
- calculated usage based on the size of the transformer being installed to serve the load, and the estimated number of hours the load will be active each day during its highest expected consuming month.

102.2. PRESENT MEMBERS

102.2.1. A present Member shall be required to post a deposit as a condition of continued service if any of the following apply:

- undisputed charges have become delinquent in two out of the last twelve (12) billing periods
- if the Member has had service terminated for non-payment during the last twelve (12) months
- if the Member has significantly modified the type or nature of their service

- the Member's load has grown such that their current billing exceeds more than 200% of the value of their current deposit.

102.2.2. In lieu of a deposit, Members whose services can be served by a self-contained meter with a disconnect relay may opt in to the Cooperative's pre-paid billing program described in section 104.2.

102.3. PAYMENT OF INTEREST OF DEPOSITS

102.3.1. Interest on deposits shall begin to accrue from the date of the payment of the deposit, and at a rate prescribed by Oklahoma Corporation Commission in its General Rules and Regulations Governing the Operations of Electric Utilities. No interest shall be paid on a deposit held less than ninety (90) days.

102.3.2. No interest will accrue on a deposit after final termination of service.

102.3.3. At termination of an account, accrued interest will be applied to bills in the settlement of accounts, or if necessary, a check will be drawn to close the account.

102.3.4. On active accounts, the interest accrued through the December billing date will be applied as a credit to the current month's billing.

102.4. REFUND OF DEPOSIT

102.4.1. Except as otherwise provided herein, a deposit, with accrued interest, shall be applied to any unpaid charges at the time of a discontinuance of electric service. The balance, if any, shall be returned to the Member/Member within thirty (30) days following the settlement of the account, either in person or by mailing to the Member/Member's last known address.

102.4.2. The Cooperative may withhold the refund or return of the deposit, with accrued interest, pending the resolution of any dispute with regard to charges secured by such deposit.

102.5. RECORDS

102.5.1. The Cooperative shall keep records regarding Member/Member deposits which show:

- The name, account number and address of each deposit, or;
- The amount of the deposit and the date received; and
- Each transaction regarding such deposit.

102.5.2. Such records shall be maintained for at least two (2) years after the deposit, with accrued interest, if refunded or applied to charges.

102.6. SALE OF SYSTEM

Should the Cooperative sell or transfer all or any part of its system, it shall file with its Application a verified list of all Member/Members from whom a deposit is being held along with the information required to be kept in Section VI, above. Such information shall be treated as confidential by the Commission and shall not be released except upon Commission order to do so.

103. SERVICE STANDARDS

103.1. SERVICE EXTENSION

Service will be extended to Members based upon their loading requirements. The Member's rate classification shall be based upon current rate tariffs. Line extension allowances shall be as set forth in section 400.

103.2. EXCLUSIVE SERVICE ON INSTALLATIONS CONNECTED TO COOPERATIVE'S SYSTEM

103.2.1. The standard electric rate schedules are based on exclusive use of the Cooperative's electric service. No electric service from another source will be used by the Member in parallel with the Cooperative's service.

103.2.2. Site located distributed energy resources (DER) shall be allowed, as required by law. Members using DER will be subject to all current standards, contracts and tariffs.

103.2.3. The Member will not sell the electricity purchased from the Cooperative to any other agency, company or person unless the contract under which service is made available specifically provides for such resale.

104. BILLING

Bills are to be paid at the office of the Cooperative, at an authorized Cooperative collection agency or electronically within the time specified.

104.1. STANDARD BILLING

The Cooperative may mail to the Member at the address shown on

- the application for service or
- change of address form

a bill for electricity delivered there under. The Cooperative reserves the right to adopt other methods of delivering bills.

Failure to receive a bill in no way exempts the Member from payment for service.

Bills are payable not later than Twenty (20) days from date of mailing. A charge for late payments, based on approved rate schedules is to be added on bills not paid within twenty (20) days from date of mailing.

All bills presented for payment become delinquent twenty (20) days from the date thereof and the Cooperative may discontinue service and remove the meter for such delinquency after five (5) days written notice to the Member advising that service will be discontinued unless the delinquent bills plus penalty is paid twenty (20) days from the billing date thereof.

The Cooperative shall not discontinue service for non-payment of bills, excluding pre-paid meters, between the hours of 3 P.M. Thursday and 8 A.M. Monday or any day preceding a legal holiday until 8 A. M. the day following such holiday.

A service charge, based upon the current rate schedule, will be charged to any account for which a bad check or “insufficient funds” check is tendered to the Cooperative for payment.

The Cooperative reserves the right to refuse service to a Member at any location until all delinquent bills of such Member for service in any previous locations served by the Cooperative are paid.

When the Member requests discontinuance of service, bills for vacating premises, special bills, or removal bills, except bills for non-payment, they shall be processed and billed within thirty (30) days from the first of the month following.

104.2. PRE-PAID BILLING

Under this option, no deposits are required. A Member simply purchases a certain amount of electricity in advance. If a meter runs out of money, the account will be disconnected automatically.

Members can deposit funds to their account that will be drafted daily based upon measured usage and any other applicable fees per the current rate tariffs.

The Member will be notified by phone or email when the balance is low. The Member can then purchase more energy. This can be done daily, weekly, monthly or as often as one wishes.

A negative account balance shall result in the automatic disconnection of service until Member deposits the required amount of funds to bring the account back into good standing.

More information can be found on our website at www.lrecok.coop

104.3. TEMPORARY DISCONNECTS

When a meter is disconnected and the Member for whom it was disconnected has it reconnected within twelve (12) months of the time it was disconnected, it shall be termed a “temporary disconnect”. The minimum monthly billing from date of disconnect plus a reconnect fee based upon the current rate schedule shall be paid to the Cooperative at the time the Member requests that the meter be reinstated.

This does not prohibit any service not in use from being removed by the Cooperative. If a service is idle for 6 months or more, the cooperative may, at their option, retire the service and any line that serves it. Once a line has been retired, if the Member wishes to resume service they shall follow the procedures outlined herein for the establishment of a new service.

104.4. AVERAGE MONTHLY PAYMENT PLAN, A.K.A. “BUDGET BILLING”:

The Cooperative offers the following “AVERAGE MONTHLY PAYMENT PLAN” TO ITS RESIDENTIAL MEMBERS:

104.4.1. AVAILABILITY

Available to all residential Members as an optional payment plan. To be eligible to participate in this plan a Member’s account must:

- 104.4.1.1. have (12) months billing history at the service location involved.
- 104.4.1.2. not have had the balance due paid after the due date more than twice during the preceding 12 months.
- 104.4.1.3. be currently paid in full at the time participation in the plan commences.

Any Member who requests and enters the plan may be removed from it should the account at any time become subject to termination for non-payment.

104.4.2. HOW THE PLAN WILL WORK

- 104.4.2.1. A Member desiring to use the plan shall make a request to be allowed to use this optional payment plan.
- 104.4.2.2. The Cooperative will allow use of the average monthly payment plan if the Member meets and continues to meet the eligibility requirements.

104.4.3. HOW PREPARATION OF BILLS OCCUR

104.4.3.1. The average monthly payment amount shall be based on the current month's billing, including any applicable taxes and any unpaid balance from prior months, plus the eleven (11) preceding monthly bills, divided by twelve (12). The average amount shall be the current month's payment under the plan.

104.4.3.2. The average is recalculated each May in the above described manner. Averaging may be re-calculated more often at the discretion of the Cooperative.

104.4.3.3. The monthly bill will be based on the applicable rate tariff, and the current actual or estimated meter readings to determine usage.

104.4.4. FULL SETTLEMENTS

A full settlement of the account shall occur when participation in the plan is ended. This occurs at the request of the Member or the Cooperative.

105. FRAUDULENT USE OF ELECTRICAL CURRENT

Service will not be resumed to the Member until such Member shall have paid all bills, together with a tampering fee and any cost for damage to the meter or metering equipment.

106. OUTAGE CALL, PROBLEM ON MEMBER'S SIDE OF METER

A false outage report charge may be applied, based upon the current rate schedule, for outage calls when the problem is on the Member's side of the meter.

107. METERING

107.1. METER READING

All Cooperative meters are read remotely via an Automated Metering Infrastructure. However, each Member shall ensure the accessibility of the meter to the Cooperative for the purpose of maintaining the metering infrastructure.

107.2. SELECTIVE TESTING PROCEDURES FOR SINGLE-PHASE, SELF-CONTAINED METER

107.2.1. STEP 1

A one-percent random sampling of all installed groups of single-phase, self-contained meters would be taken annually, with a minimum of twenty of each group. The sampling would be checked to be sure that the lot of each type is in accordance with that which is specified in Table A-2 of Military Standard 414.

107.2.2. STEP 2

An as-found test will then be performed on these meters, and recorded as is prescribed in the Corporation Commission rules and regulations. Bar x and Sigma method of computing the average calibration and the standard deviation for each type of meter will then be made.

107.2.3. STEP 3

From these calculations, we would then determine how this group of meters compares to the acceptable quality level. If outside the AGL, an appropriate correction on this group of meters will be made, such as repair, recalibration, or retirement, to be completed within an appropriate period of time.

107.3. METERS AND DISCONNECT DEVICES

107.3.1. GENERAL

No metering loop shall be bypassed for any reason, including remodeling or replacement, without the approval of an authorized representative of the Cooperative.

107.3.2. OUTDOOR SELF-CONTAINED METER INSTALLATIONS

Outdoor meter installations are required for all installations where service is supplied for a secondary system through a single meter and the continuous load does not exceed 320 amperes, single-phase.

107.3.3. INSTRUMENT TRANSFORMER INSTALLATIONS

Services above 240 volts and/or those requiring a capacity over 320 amperes may be metered with instrument transformers. All meters are to be located outside of buildings.

107.3.4. METER BOARDS

For supporting each meter and cabinet on poles or walls other than a flat wooden wall, a durable meter mount of suitable dimensions for proper installation of equipment is to be provided as a part of the roughing-in work.

107.3.5. OWNERSHIP

All meters, meter enclosures and other equipment furnished by the Cooperative will be maintained by the Cooperative and remain its property.

107.4. TESTING OF METERS FOR MEMBERS

Upon receipt of written request from a Member, the Cooperative will test any Member's meter within ten (10) working days or such reasonable time thereafter as practicable, excluding Saturdays, Sundays and holidays to determine the accuracy of the meter through which the Member is being served.

107.4.1. A deposit, as stipulated in the rate tariff, may be required from the Member for such meter test.

107.4.2. Any charge made pursuant to a. above shall be refunded to the Member if the meter is found to have an average error of more than two (2) percent when tested.

107.4.3. The Member may make written request to be present when the Cooperative or its agent conducts the test on his meter, and have an expert or other representative present at the time; in which case the Cooperative shall conduct the test in the presence of the persons requested.

107.4.4. A written report stating the name of the Member requesting the test, the date of the request, the location of the premises where the meter has been installed, the type, the make, size and serial number of the meter, the date of removal, the date tested, and the results of the test, shall be supplied to such Member within ten (10) working days after the completion of the test.

107.4.5. The Member may request a 3rd party test, but additional fees may apply.

107.5. ADJUSTMENT OF BILLS FOR METER ERROR

107.5.1. FAST METERS

Whenever any meter tested by the Cooperative or its agent is found to have an average error of more than two (2) percent fast (or in favor of the Cooperative) the Cooperative shall refund to the Member the overcharge based upon the corrected meter reading for a period equal to one-half the time elapsed since the last previous test, but not to exceed six months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the overcharge shall be computed from that date.

107.5.2. SLOW METERS

Whenever any meter tested by the Cooperative or its agent is found to have an average error of more than two (2) percent slow (or in favor of the Member), the Cooperative may charge for the electricity consumed but not included in bills previously rendered, based upon the corrected meter reading for a period equal to one-half of the time elapsed since the last previous test but not to exceed six months, unless it can be established that the error was due to some cause the date of which can be fixed with reasonable certainty, in which case the charge shall be computed from that date.

107.5.3. NON-REGISTERING METER

107.5.3.1. STANDARD BILLING

If a meter is found not to register or to register intermittently for any period, the Cooperative may charge for an estimated amount of electricity used, which shall be calculated by averaging the amounts registered over corresponding periods in previous months, or in the absence of such information, based on calculated use of connected load over similar periods preceding or subsequent thereto.

107.5.3.2. PRE-PAID BILLING

If a meter is found not to register or to register intermittently for any period, the Cooperative may charge for an estimated amount of electricity used, which shall be calculated by averaging the amounts registered over corresponding periods in previous days, or in the absence of such information, based on calculated use of connected load over similar periods preceding or subsequent thereto. When a good reading is registered, the account balance will be trued-up.

107.5.3.3. INCORRECT REGISTER OR MULTIPLIER ON METER

If a meter is found to have an incorrect register or multiplier, the error shall be corrected. Where the error is adverse to the Member, the Cooperative shall refund the excess charged for the used in billing the Member. Where the error is adverse to the Cooperative, the Cooperative may charge the Member the undercharge for the amount of electricity incorrectly metered for the period of time the meter was used in billing the Member and if necessary, the Cooperative may receive payment in installments over a reasonable period of time.

107.5.4. ADJUSTMENTS OF BILLS FOR OTHER METERING ISSUES

Other appropriate adjustments in meter readings and on bills rendered for electric energy may be made under the following circumstances:

107.5.4.1. When meter readings are incorrectly reported.

107.5.4.2. For estimated readings that are later found to vary considerable from the actual usage.

107.5.4.3. When there is a change of residents at a location without the meter being removed and there is a question about the final or beginning readings.

108. ACCESS

The Member shall give the duly authorized agents of the Cooperative permission to enter the Member's premises at any reasonable time for any purpose incidental to the supplying of electric service. All employees requiring access to premises of a Member shall be furnished with an Identification Card.

109. MEMBER'S RESPONSIBILITY

The Member will be responsible for all damage to, or loss of, the Cooperative's property located upon his premises, unless occasioned by causes beyond his control, and shall not permit anyone who is not an agent of the Cooperative to remove or tamper with the Cooperative's property without first obtaining explicit permission from the Cooperative.

110. PROVIDING CLEARANCE FOR OVERSIZED LOAD MOVING

Where an oversized load is to move along roadways, over which electric wires exist, the Member, owner or mover, must comply with all federal, state or local permitting agencies. After such permit and approval are obtained by the owner or mover, the Cooperative must be advised of the route over which the oversized load is to be moved. The Member, owner or mover shall pay any applicable charges incurred by the Cooperative in providing for clearance of wires. In no case shall anyone other than authorized employees of the Cooperative remove, cut, raise or handle any wires in connection with the moving.

111. MEMBER'S WIRING

111.1. GENERAL REQUIREMENTS

All electric wiring and equipment installed on the Member's side of the "point of delivery" shall be at the Member's expense and shall be installed and maintained in accordance with the requirements of the National Electrical Code, as approved by the American Standards Association, and the Cooperative.

The Cooperative will not be responsible for any loss, injury or damage, which may result from defects in electric wiring or equipment on the Member's premises.

The Cooperative may refuse to make a connection when it has information or cause to believe that any installation on the Member's premises is unsafe.

111.2. MOBILE HOMES

111.2.1. All electric wiring and equipment installed on the Member's side of the "point of delivery" shall be at the Member's expense and shall be installed and maintained in accordance with the requirement of the National Electrical Code, as approved by the American Standards Association, and the State of Oklahoma.

111.2.2. All single-phase services must have a main breaker or safety type fuse switch, of ample capacity to carry the connected load and to interrupt the fault current installed between the Cooperative's meter and the Member's entrance cable.

- 111.2.3. During construction of new service, the Cooperative will install a Member supplied main breaker or safety type fuse switch for a service fee.
- 111.2.4. The installed cost of this equipment must be paid by the Member before service may be connected.
- 111.2.5. Service will not be energized without the above safety equipment.
- 111.2.6. The Cooperative will not be responsible for any loss, injury or damage which may result from the defects in electric wiring or equipment on the Member's premises.
- 111.2.7. The Cooperative may refuse to make a connection when it has information or cause to believe that any installation on the Member's premises is unsafe.

112. SIGNIFICANT CHANGES TO MEMBER LOAD

In the event a Member shall add significant new load to their electrical equipment, they shall notify the Cooperative so that the capacity of its meter and other equipment may be assessed and if necessary enlarged sufficiently to serve the increased load. If the Member fails to so notify the Cooperative, they will be held responsible for any damage to the meter or other equipment of the Cooperative caused by such increased load.

Members will be responsible for the full cost of enlarging the service in any of the following situations:

1. The additional load is not located within the primary residence
2. The additional load is commercial or recreational in nature
3. The load being added has a known or estimated load factor of less than 75% of the system average load factor making the ability to recover the investment of enlarging the service capacity through energy sales highly unlikely. These types of loads include, but are not limited to, on-demand electric water heaters and back-up electric strip heaters sized above that required by code.
4. The load being added is highly transient or temporary in nature such as an outlet to service a mobile RV, etc.
5. The load represents a financial risk to the Cooperative or the type of load is significantly speculative, i.e. the risk of the load terminating within 20 years of installation is significant.

113. LINE RE-ARRANGEMENTS & METER REMOVAL

Persons requesting line re-arrangements, which could not be classified as a service or system improvement, shall pay the total cost of the re-arrangement in advance. Any obstruction or encroachment to a Cooperative easement would be subject to this charge.

When a Member requests temporary removal of a meter for the installation of a disconnect switch, outlet or other equipment, a trip charge may apply.

114. CONTINUITY OF SERVICE

The Cooperative will use reasonable diligence to supply steady and continuous service at point of delivery, but will not be liable to Member for any damages occasioned by irregularities or interruptions, including the loss of one or more phases on a multi-phase service. The Cooperative may without further notice discontinue service to any Member when a defective condition of wiring or equipment upon the premises of the Member results, or is likely to result, in danger of life or property or interference with proper service.

115. MODIFICATION OF TERMS AND CONDITIONS OF SERVICE

No agent, representative or employee of the Cooperative shall have authority to modify the Terms and Conditions as stated herein, but the Cooperative shall have the right to amend these Terms and Conditions or to make additional Terms and Conditions as it may deem necessary from time to time, subject to their approval of the Board of Trustees and any other body having jurisdiction thereto.

116. USE OF POLE LINE AND APPURTENANCES

It shall be the policy of the Cooperative that, with the exception of the attachment of electric wires to serve Member's premises to a pole upon which the meter is located, no authority shall be given to any person to make any private use whatsoever of the pole line and appurtenances belonging to the Cooperative without the written approval of the Board of Trustees. Any such attachment must be made by Cooperative employees, or a certified electrician working under the permission of the Cooperative.

PART II

ELECTRIC SERVICE REGULATIONS

These regulations are to provide for the safety of the public and for dependable electric service. Drawings illustrative of the installations described herein will be furnished without charge by the Cooperative upon request.

201. POINT OF DELIVERY

The point of delivery of electric service shall be the point at which the lines of the Cooperative connect to the lines of the Member. This point will ordinarily be one of the following points.

201.1. WHERE POINT OF DELIVERY IS ON A LINE OR SERVICE POLE

The Cooperative will furnish and install a meter loop on the pole.

201.2. OVERHEAD TAKE-OFF

The point of delivery for overhead take-off will normally be at the top of the pole, and except where current transformers are used with the metering equipment, will be where the Cooperative's wires exit from the weather head on the meter loop on the load side of the meter.

201.3. UNDERGROUND TAKE-OFF

The point of delivery for underground service will be on the load side of the meter base except where current transformers are used with the metering equipment.

201.4. WHEN CURRENT TRANSFORMERS ARE USED WITH THE METERING EQUIPMENT

The point of delivery when current transformers are used with the metering equipment will be at the secondary lugs of the distribution transformer. Cooperative employees will make the connections, but the Member must supply:

201.4.1. Sufficient cable to reach the secondary lugs

201.4.2. Rigid riser conduit if the service is on an overhead pole

201.5. WHERE POINT OF DELIVERY IS ON A BUILDING OR OTHER STRUCTURE

The point of delivery shall be the point at which the lines of the Cooperative connect to the lines of the Member. This will normally be at the weather head or masthead on the service entrance, which contains the meter base at the building or other structure when overhead construction is used. When underground construction is used, it will be at the load side of the meter base. The Cooperative will furnish and own the meter base whether overhead or underground service is installed.

201.6. GENERAL INFORMATION

Location of the point of delivery will be designated by authorized employees of the Cooperative when requested before Member's electrical installation work is started. This will eliminate possible delay and added cost of relocating the point of delivery to provide required clearance from buildings and other utility companies' lines.

Where a service connection cannot be made or maintained with adequate clearance without being interfered with by trees or other obstructions, it will be the responsibility of the Member to provide adequate clearance.

At locations where originally platted lots have been subdivided in such a manner that a service connection cannot be completed from the established utility reserve or easement to buildings on lots remote from the utility reserve without crossing other property, it will be the responsibility of the owners of such lots to extend their lines to a point near the utility reserve most convenient for connection to the electricity supply system, or provide appropriate easements to afford such connection.

202. OVERHEAD DISTRIBUTION SYSTEM

202.1. STANDARD ELECTRIC SERVICE CONNECTION

A standard service connection, as used herein, is one utilizing overhead conductors and not requiring support other than the line pole from which service is taken when the point of delivery is on a line pole or one standard service support for each wire cable at a building or structure when the point of delivery is on such building or structure.

202.2. POINT OF ATTACHMENT TO BUILDING

In general the clearances for attachments to buildings shall be governed by the current versions of the National Electrical Safety Code or the National Electrical Code, whichever is applicable based upon ownership of the attachment as defined in section 201 above.

202.3. SUPPORT FOR SERVICE DROP ATTACHMENT

When service wires are attached to a building, other than of wood construction, a substantial form of support for the service rack is to be provided by the Member or his contractor. The location of the support shall be designated by an authorized representative of the Cooperative.

In case the building is not sufficient height to meet the requirements of the National Electric Code or National Electrical Safety Code , the owner shall furnish and maintain an adequate fixture, or minimum 2" Rigid Conduit Mast to which the service wires may be attached. Mast clearance above the roof shall meet or exceed those established by the National Electrical Safety Code or National Electrical Code, whichever is applicable based upon ownership of the attachment as defined in section 201 above.

202.4. SERVICE ENTRANCE WIRING

Service entrance wiring raceways are to be terminated on the exterior of the building per the requirements set forth in the National Electric Code but shall not be less than six (6) inches above the service drop attachments to prevent the entrance of moisture. The service entrance and the service drop conductor connections are to be made at a point below the level of the rain tight service head.

The Member's service entrance conductors shall meet the requirements of the National Electric Code, the National Electrical Safety Code or local building code, whichever is greater, but shall at no time be less than thirty (30) inches outside the service head to permit proper attachment to the service drop wires.

Service entrance conductors shall be carried in approved metal raceways or approved entrance cable and the distance to the main switch should be as short as possible.

The size of service entrance conductors will be determined by application of the National Electrical Code, except that no service wire shall be smaller than No. 2 AWG.

202.5. TYPE OF SERVICE CONNECTION

All lighting and power installations of more than two (2) circuits shall be arranged for 3-wire and 4-wire service connection, depending upon the type of distribution established for that area.

203. UNDERGROUND DISTRIBUTION SYSTEM

203.1. BURIAL DEPTH

Primary and secondary underground shall be installed such that the top of the conduit shall not be less than that prescribed in the National Electrical Safety Code.

203.2. OBSTRUCTION OF EASEMENTS

In no instance shall the Member install any facilities or place any permanent or semi-permanent structures within an easement that has been granted or prescribed to the Cooperative for the purpose of installing or maintaining underground service.

In the event that an obstruction has been installed after the initial underground installation and maintenance requires access to a cable circuit not in conduit under the obstruction, the owner shall:

203.2.1. Permit the Cooperative access to the premises.

203.2.2. Pay the cost of removing and replacing the obstruction, or

203.2.3. Pay the cost of necessary conduit, cable and its installation around the obstruction.

POWER QUALITY

In order that service to general Member Members utilizing lighting and other power electronic devices may not be unduly affected, the following limitations on motor starting current, type and size of motors, and other current using equipment is necessary.

For usual applications, the Cooperative renders 60-cycle service from circuits of the following characteristics:

- Single-phase, 2-wire, 120 volts.
- Single-phase, 3-wire, 120-/240 volts.
- Three-phase, 4-wire, 120/240 volts delta.
- Three-phase, 4-wire, 120/208 volts wye.
- Three-phase, 3-wire, 480 volts delta.
- Three-phase, 4-wire, 277/480 volts wye.

301. LARGE MOTORS

Members and contractors contemplating the purchase and/or installation of any three-phase or single-phase motor larger than ten (10) horsepower or a welder should obtain from Cooperative's representative written information relating to the character of service available at the location of such proposed installation. For motors larger than seventy-five (75) horsepower the Member shall request an engineering study from the Cooperative to determine if the motors can be started "across-the-line" without motor starting assistance equipment.

302. CURRENT FLUCTUATION CONTROL

In cases of hoists, elevators, furnaces, welding machines, and other equipment where the use of electricity is intermittent or subject to violent fluctuations, the Cooperative reserves the right to have the Member install at his own expense fly-wheel motor generator, uninterruptable power supply (UPS), or other suitable equipment to reasonably limit such intermittent fluctuations.

303. PROTECTIVE CONTROL EQUIPMENT

Reverse phase relays or voltage monitors and circuit breakers or similar devices are required for all poly-phase elevator installations, pumps, cranes and similar services to protect the installation in case of phase reversal or phase failure. Should special cases seem to warrant an exception to the above rules, the Cooperative may after an investigation make such exception. In all cases, the Member should install and maintain the devices necessary to adequately protect their equipment and process during periods of abnormal service conditions or the failure of part or all of the service supply.

304. HARMONICS AND VOLTAGE FLICKER

So that the Cooperative can provide quality electricity to its Members, no individual Member shall install equipment that injects a power signature into the Cooperative's lines that impairs the quality of service for other Cooperative Members.

304.1. HARMONICS

The Member's harmonic content shall be not more than allowed by the current IEEE standard. At the time of this writing that standard is IEEE 519.

304.2. VOLTAGE SAGS OR SWELLS

The Member shall not install any equipment, such as large motors, that when started or stop create a voltage sag or swell that exceeds those levels established by the current version of the IEEE 141 standard commonly referred to as the IEEE Red Book. However, in no instance, even if the standard allows for it, shall the Member's equipment create a voltage sag or swell greater than 4% on the Cooperatives primary distribution system.

If such sags or swells are created by the use of the Member's equipment, the Member must immediately desist the use of the equipment until such time as they have installed some form of motor start assist equipment, such as a variable frequency/speed drive (VFD/VSD), soft starter, etc., that allows the Members equipment to shall meet the above sag or swell requirement, as well as those in 304.1.

305. RADIO

The Cooperative will not be required to furnish service to radio transmitting stations unless the Member provides and maintains adequate devices to be approved by the Cooperative for the protection of meters, transformers and other apparatus owned by the Cooperative. Amateur transmitting stations in which the energy change during keying exceeds 500 watts shall not be connected to house lighting services. Special service for such installations may be secured by making application to the Cooperative's office.

In no case shall radio transmitting or receiving aerials be attached to the Cooperative's poles or cross the Cooperative's lines.

PART IV

STANDARD EXTENSION POLICY

401. GENERAL

The standard extension policy is one part of the Cooperative's general body of rules and regulations governing the furnishing of service to its Members. The standard extension policy should be considered in conjunction with the provisions of the Cooperative's various rate schedules and other provisions of the Terms and Conditions of Service. The application of the Extension Policy to the various situations and types of Members is outlined below. This supersedes all previously issued directives concerning the extension policy.

401.1. CONTRIBUTION IN AID TO CONSTRUCTION

In determining the amount of contribution in aid which shall be made by the applicant for an extension to be made under this section, the total construction cost of the extension shall first be determined, and from which total construction cost there shall be deducted:

401.1.1. Cost incident to any increase in the size of electric line in excess of that necessary to provide adequate and satisfactory service; cost incident to future expansion or to continue a construction plan of the Cooperative;

401.1.2. For services that will meet the definition of permanent residence described in 401.3, the cost necessary to correct inadequate capacity.

401.1.3. Line extension credit as described in 402.1

Every extension shall at all times be the property of the Cooperative, regardless of whether a deposit or contribution is made in aid of its construction. At the end of the period set forth in 402.1.2.1, any un-rebated portion of a deposit shall become a contribution in aid of construction and remain the property of the Cooperative. Any deposit shall not draw interest.

401.2. LOCATION OF METER BASE

The Cooperative recommends all meter bases to be located on Cooperative owned facilities and not affixed to the side of a Member's dwelling or building.

However, the Cooperative recognizes that at times the Member may have reason to desire the meter base to be affixed to the side of their dwelling or building. The Cooperative will allow the Member to do so provided:

- the service is underground and
- the installation meets the requirements of the Cooperative's current design and construction practices

401.3. DEFINITION OF A PERMANENT RESIDENCE

A permanent residence is defined to mean a residential dwelling with reliable support or attachment to the earth, containing complete kitchen facilities, an immediately accessible water source; an Oklahoma State Health Department accepted sewage facility, and occupancy of the dwelling on the permanent year-round basis. Permanent residences may include multi-family dwellings such as duplexes and apartment buildings. Each unit of a multi-family dwelling shall be considered a separate permanent residence. Not included in the term permanent residence are motels, rooming houses, weekend cabins or second homes, and mobile homes with no reliable support or attachment to the earth.

401.4. TYPE OF PRIMARY LINE EXTENSION

In general all primary line extensions will be built using overhead construction. Underground construction may be utilized at the Member's request and will be subject to the requirements of section 404.

402. GENERAL SERVICE EXTENSION

402.1. LINE EXTENSION CREDIT

The Cooperative shall apply a credit of up to \$2,500 towards the cost of extending its distribution lines to provide service to an applicant for permanent residential service, and the applicant will be responsible for the balance of the cost as described in section 401.

402.1.1. The Cooperative may require an immediately accessible water source; an Oklahoma State Health Department accepted sewage facility as well as a permanent foundation being situated and in place prior to construction of distribution lines.

402.1.2. If the facilities in 402.1.1 will not be present at the time that the Member requests the distribution line be constructed The Cooperative may require the full cost of the project to be paid by the Member in advance. The \$2,500 credit will be refunded to the Member as long as:

402.1.2.1. The Member's dwelling meets the requirements of 401.3 within a period of 10 years from the installation of the Cooperative's facilities and

402.1.2.2. The Member requests the refund in writing.

402.2. EXTENSION WHEN EXISTING COOPERATIVE FACILITIES ARE PRESENT

If a primary distribution pole or pad-mount cabinet is within 150 feet of the proposed foundation of the dwelling:

402.2.1. The Member may take underground service at the existing Cooperative facility

402.2.2. If the Member insists on the Cooperative extending their facilities closer to the Member's dwelling:

402.2.2.1. It shall be at the Cooperatives discretion whether to extend primary, secondary or a combination of both to the dwelling.

402.2.2.2. The Member may take underground service, but it shall be at the Cooperative's discretion whether or not to extend overhead service to the Member.

402.3. MULTI-FAMILY DWELLINGS

402.3.1. For owner-occupied multi-family dwellings that will meet the criteria in 401.3 a line extension allowance of up to that stated in 402.1 per meter may be allowed, but in no instance shall the allowance be greater than the total cost of construction of the new Cooperative facilities.

402.3.2. Refunds on multi-family development schemes will be based upon the ratio of the total cost of the project and the total number of meters to be installed. For example a duplex will be refunded ½ of the total construction cost or extension allowance, whichever is less, once each unit meets the requirements of 401.3.

402.3.3. For multi-family dwellings not occupied by the owner, these will be considered developmental schemes and will be refunded per 403.3.

403. LINE EXTENSION ALLOWANCE TO PROSPECTIVE REAL ESTATE SUBDIVISION AND OR DEVELOPMENTAL SCHEME

403.1. The developer or vendor of such property will pay to the Cooperative prior to construction the cost of construction necessary to serve such properties. Such cost shall be calculated by the Cooperative, according to such plat as is recorded in County Clerk's Office of said county.

403.2. Necessary easements in accordance with the Cooperatives' most current easement format shall be provided to the Cooperative by said developer or vendor. Other forms of easement or rights-of-way may be acceptable at the Cooperatives option.

403.3. Within the period of time given in section 402.1.2.1, the Cooperative shall refund to the developer or vendor the portion of line extension calculated and allowed for each Member or meter qualifying as a permanent residence as described under Section 401.2. However, the Member in permanent residence **must** take delivery of service at the meter base that was set and paid for by the developer or vendor at the time the line was originally constructed or the refund will be forfeit.

403.4. In refunding a portion of the line extension, no refund shall be made unless those extension costs were paid for at the time of the original construction. In no case shall the amount refunded exceed the amount paid by the developer or vendor to the Cooperative, nor shall more than one refund be made per qualifying service.

403.5. Determination of Cost. In arriving at the length of electrical line extension necessary to render service at any point, the distance from the point of delivery to the nearest electric distribution lines shall be measured along lines of probable construction from the nearest electric distribution line to the point of delivery.

403.6. The developer or vendor must meet all of the design requirements of section 202 or 203, whichever applies.

404. UNDERGROUND PRIMARY OR SECONDARY SERVICE EXTENSION

Underground primary or secondary extension to the Member from existing Cooperative facilities shall be provided by the Cooperative, at the request of the property owner, in accordance with the provisions set forth below. The owner shall obtain and provide any and all easements necessary to extend from the Cooperative facilities to the Member's point of delivery.

404.1. NEW MEMBER – SERVICE TO A SINGLE METER

404.1.1. The Cooperative shall: furnish, install and maintain the underground service conductors from its facilities to the meter base or such other point of delivery as approved by the Cooperative.

404.1.2. The owner shall:

404.1.2.1. Pay the contribution in aid to construction per the standard extension policy in section 401.1.

404.1.2.2. Provide ditching, sanding and backfilling to specifications required by the Cooperative.

404.1.2.3. If necessary, provide for boring under streets, obstacles, or obstructions plus any rigid casings required for placement of wires therein.

404.2. NEW MEMBER – SERVICE TO PLATTED ADDITIONS, DEVELOPMENT AREAS OR SUB-DIVISIONS

The Cooperative may install an underground distribution and/or secondary electric system in platted additions, development area or subdivisions when six or more contiguous lots are scheduled for immediate development, provided:

404.2.1. The soil conditions are suitable.

404.2.2. The development or subdivision is not unduly speculative and will be developed in a step by step manner. If so, it may qualify for a line extension credit as defined in section 403.

404.2.3. All agreements provide that the Cooperative at its option may install either a front or rear lot system.

404.2.4. If the developer requests the cable to be installed along the back of the lot, the builder will either:

404.2.4.1. provide a 20 foot graveled alleyway with unobstructed Cooperative vehicle access, or

404.2.4.2. stipulate in the development covenants that vehicle gates must be installed on any fences that would prevent the Cooperative from accessing their facilities.

404.2.5. The developer provides:

404.2.5.1. Right-of-way easements and covenants satisfactory to the Cooperative.

404.2.5.2. A recorded plat of the development showing easements, roads, finished grades, etc.

404.2.5.3. The cost of all trenching, sanding and backfilling including the cost of any necessary boring under streets, obstacles or obstructions.

404.2.5.4. The conduit from each meter to the closest point the trench can reach.

404.2.5.5. The cost of primary cable as stipulated in section 401.1.

404.2.5.6. The cost of secondary cable as stipulated in section 401.1.

404.3. THREE-PHASE UNDERGROUND SERVICE

404.3.1. If three-phase underground service from an overhead system is requested on one of the approved tariffs under which three-phase is available, it may be supplied under one or both of the following provisions.

404.3.1.1. SECONDARY SERVICE

If the load can be served with three-phase secondary underground, then it will be supplied under the provisions of section 203.

404.3.1.2. PRIMARY SERVICE

404.3.1.2.1. If primary service only is involved or both primary and secondary underground are required, the provisions of section 203 will apply.

404.3.1.2.2. The Cooperative will provide primary cable for each installation under the same conditions as secondary service is rendered as described in Section 203 and in addition furnish and install the required transformers.

404.3.1.2.3. The owner shall, at his expense, provide on his premises for each transformer installation an approved transformer vault or specially designed transformer pad as required by the Cooperative.

404.3.1.2.4. Detailed plans and specifications for the transformer installation are to be submitted to the Cooperative before work is started.

405. OVERHEAD EXTENSIONS IN PLATTED ADDITIONS, DEVELOPMENT AREAS OR SUBDIVISIONS

For platted additions, development areas or subdivisions such as described in 404.2 if overhead service is requested along the back of the lots, the developer will provide a minimum of a 20 feet graveled alleyway with unobstructed Cooperative vehicle access and a 15 feet utility easement adjoining the alleyway.

406. VAULTS FOR COOPERATIVE-OWNED EQUIPMENT

When an indoor installation of transformers or other equipment is required by the Member, or when the condition of his property is such that an outdoor installation is impracticable, the Member shall furnish upon his property, without cost to the Cooperative, a building, room or vault adequate for the housing of this equipment, This space shall meet the requirements of the National Fire Protection Association and the Cooperative.

The Member shall furnish, without cost to the Cooperative, right-of-way for the Cooperative's circuits, where same are required to cross private property in order to service such Member.

407. TEMPORARY SERVICE:

When an applicant requires a temporary service, the Cooperative shall require that the applicant pay all of the cost of installing and removing the service in excess of any salvage realized, and may require a deposit of such cost in advance. Temporary service as defined herein is any service required for a period of less than twelve (12) months.

408. LOADS LESS THAN 1,000 KW

When the connection for service to a load that will not meet the requirement of 401.3 requires a line rearrangement or additional line capacity, the member will be responsible for the cost of the system modification.

408.1. DESIGN CONSIDERATIONS

If a capacity increase is required to service the load, the type of line modification the member will be responsible for will be based on the Cooperative's current construction and design practices, and any future growth plans of the member requesting service shall be considered in the design of the modification.

408.2. ALLOWABLE INVESTMENT

The member shall pay 100% of the cost of the line modification prior to construction. As long as the service is energized within 2 fiscal years from the time the modification is completed the Cooperative will pay a credit toward construction based upon the following formula, which is the linear interpolation of the allowable direct investment given in the Cooperative's most recent cost of service study:

408.2.1. Allowable Investment by Cooperative (\$) = $\$33.76 \times \text{kW} + \$2,500$

408.2.2. The kW in the formula shall be the highest 15 min interval kW recorded by LREC's meter during the first 12 months that the load is put into service.

408.2.3. The load shall be considered energized and in service when the member is using at least 20% of the estimated kW used to calculate their deposit.

408.2.4. The amount the Cooperative contributes shall not exceed the total cost of the line modification

409. LOADS OF 1,000 KW AND ABOVE

The Cooperative may choose to serve Members with loads in excess of 1,000 kW installed through a special Contract for Purchase of Power Agreement.

409.1. ALLOWABLE INVESTMENT

The additional investment required to serve such load shall not be in excess of five (5) times the estimated annual revenue produced by the load. A five-year contract providing for revenues over a five-year period shall not be less than the total investment required for service to such load. Cooperative has the right to assess the risk of the Member's ability to guarantee such payment.

409.2. EXCESS INVESTMENT

Where the additional investment required to serve an individual load represents more than five (5) percent of the total distribution system investment, the Cooperative shall provide service under a special contract, which shall protect the Cooperative's investment and other Members from undue risks and cost burdens. Such contract may be for longer terms than five (5) years.

409.3. GENERAL CONTRACT PROVISIONS

The Cooperative shall take into consideration when preparing such contracts to serve loads of 1,000 KW or more, the following:

- 409.3.1. Investment in extension of facilities to serve.
- 409.3.2. Estimated annual revenue produced by the load.
- 409.3.3. Terminated risks, including duration of service and Member's credit.
- 409.3.4. Initial term of contract.
- 409.3.5. Unusual fluctuation of disturbances to the Cooperative's system.
- 409.3.6. Special equipment necessary to provide non-standard voltage or above-normal continuity of service.
- 409.3.7. Other load characteristics, seasonal or otherwise.
- 409.3.8. Removal costs less salvage value.

410. NON-USE OF ELECTRIC SERVICE

Where the Cooperative has extended electric service to a Member and such service is not being used for a period of at least six (6) consecutive months, the Cooperative may notify the owner in writing by registered mail that:

- 410.1. If the service is not used at this location and at least the minimum monthly charge paid each month, the electric service will be subject to removal at the convenience of the Cooperative. If the service is removed the service will be considered retired.
- 410.2. If a retired service is rebuilt while the owner who was so notified still owns any interest in this property, then a payment covering the labor cost of retiring and rebuilding the service will be required prior to rebuilding the service.

PART V

RATES

501. APPLICATION OF RATE TARIFFS

The Cooperative's published rate tariffs state the conditions under which each rate is available for electric service.

The Cooperative will determine the rate best adapted to existing or anticipated service requirements, as defined by the Member or Member's representative.

If there exists two rate tariffs that a Member is eligible for, the selection of the rate is the responsibility of the Member. However, rates are established on a twelve-month basis and a Member having selected a rate adapted to his service may not change to another rate within a twelve-month period.

No minimum may be lowered nor a rate changed to one that will produce lesser revenue during the initial term of a contract, which resulted in an extension of facilities of the Cooperative.

PART VI

MODIFICATIONS

601. MODIFICATION OF TERMS AND CONDITIONS OF SERVICE

No agent, representative or employee of the Cooperative shall have authority to modify the Terms and Conditions as stated herein, but the Cooperative shall have the right to amend these Terms and Conditions or to make additional Terms and Conditions as it may deem necessary from time to time, subject to their approval by the Board of Trustees and any other body having jurisdiction thereto.