



**LUMBEE
RIVER EMC**

Your Touchstone Energy® Cooperative 

Service Rules and Regulations

Amended: April 2018

LUMBEE RIVER ELECTRIC MEMBERSHIP CORPORATION

SERVICE RULES AND REGULATIONS

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INTRODUCTION

The following Service Rules and Regulations adopted by the Board of Directors for Lumbee River Electric Membership Corporation are intended to establish fair and equitable policies and procedures to enable the Cooperative to provide safe, efficient and uniform service to all members.

These Service Rules and Regulations are a part of every contract for service. An applicant for service agrees to abide by the provisions of the Certificate of Incorporation, the Bylaws and the Service Rules and Regulations terms and conditions as may be adopted by the Board of Directors of the Cooperative. All these documents are on file in the Cooperative's offices and are open to inspection by members.

Lumbee River Electric Membership Corporation reserves the right to competitively negotiate to provide electric services however, the failure of the Cooperative to enforce any provision of the requirements of these Service Rules and Regulations and Schedule of Fees shall not waive the requirements provided in these Service Rules and Regulations and Schedule of Fees for future applications.

While these Service Rules and Regulations are designed to be inclusive, circumstances may arise which are not covered. In this event, a separate agreement will be reached between the Cooperative and the member until such time as a service term covering the situation has been adopted.

These Service Rules and Regulations may be revised, amended, supplemented or otherwise changed from time to time by the Board of Directors. All such changes shall be filed with the North Carolina Utilities Commission and the North Carolina Rural Electrification Authority.

STATEMENT OF NONDISCRIMINATION

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices and employees, and institutions participating in or administering USDA programs are prohibited from discriminating on the basis of race, color, national origin, age, or disability. Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed complaint form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, S.W.
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

OFFICE LOCATIONS AND SERVICE HOURS

The Cooperative's general office is located in Red Springs, North Carolina. The Cooperative has branch offices located in Raeford, Lumberton, Laurinburg and Fairmont, North Carolina. The Cooperative's website at www.lumbeeriver.com may be accessed to research any information you are requesting; otherwise please contact a local office during normal business hours. The address, telephone, fax and business hours for each office are as follows:

<u>Location</u>	<u>Address</u>	<u>Telephone / Fax</u>	<u>Office Hours</u>
Pembroke	6090 NC HWY 711 Pembroke, NC 28372	Main: 910-843-4131 Toll Free: 1-800-683-5571 Fax 910-973-8766	Monday through Friday 8:00 a.m. - 5:00 p.m.
Lumberton	301 Bailey Road Lumberton, NC 28358	Main: 910-843-4131 Toll Free: 1-800-683-5571 Fax 910-973-8766	Monday through Friday 8:00 a.m. - 5:00 p.m.
Raeford	8344 Fayetteville Rd Raeford, NC 28376	Main: 910-843-4131 Toll Free: 1-800-683-5571 Fax 910-973-8766	Monday through Friday 8:00 a.m. - 5:00 p.m.

Lumbee River EMC operates a call center from 7:00 AM to 7:00 PM Monday through Friday on days offices are open. All offices are closed on Saturdays, Sundays and legal holidays. Service work for unusual conditions or circumstances may be scheduled during non-normal work hours. Please contact the Engineering/Operations Department for these requests. Emergency service work is performed twenty-four (24) hours a day, seven (7) days a week. Service personnel may be reached by calling 910-843-4131.

LUMBEE RIVER ELECTRIC MEMBERSHIP CORPORATION

SERVICE RULES AND REGULATIONS

100 – ELECTRIC SERVICE AVAILABILITY

101 APPLICATION FOR MEMBERSHIP

An applicant requesting electrical service shall furnish proof of identification, sign a written application for membership or apply online, pay a non-interest bearing membership fee, and pay any applicable fees and deposits.

In this application, the member shall agree to purchase electric energy from Lumbee River Electric Membership Corporation (“the Cooperative”) and to be bound by Lumbee River Electric Membership Corporation’s Certificate of Incorporation, Bylaws, Service Rules and Regulations, and Electric Rate Schedule.

Per state law, an applicant for membership must be able to enter into a legal binding contract. Applicants not meeting the criteria shall be required to obtain the co-signature of a person who meets state law requirements.

Upon termination of membership, the membership fee will be refunded or applied against any unpaid balance owed Lumbee River Electric Membership Corporation.

A member may have any number of service connections under one membership as described in Section 502, Paragraph H.

102 CHANGING MEMBERSHIP NAME FOR UNLAWFUL PURPOSE

A member may not change a membership name to that of another family member, friend, landlord or other person for the purpose of continuing to receive electric power and energy when the member is no longer entitled to receive that service due to an outstanding balance or for other breaches of contractual arrangements with the Cooperative. Upon establishment of a member’s fraudulent intent in having another person request service on behalf of the defaulting member, service will be disconnected (or denied) to the new person requesting service.

When the Cooperative has reasonable cause to believe that a member or applicant is attempting to receive service under fraudulent conditions, the Cooperative will require two forms of identification from the person requesting service. In the event the address shown on the identification is different from the address where service is requested, the Cooperative may refuse service to the new applicant unless proof of residency is established.

If a former member with an outstanding balance is found living under another member’s name, the outstanding balance will be transferred to the other member’s active account. The account will be subject to disconnection if the outstanding balance is not paid per the terms of the notice sent at the time of the transfer. If disconnected, the entire past due amount plus all applicable fees and charges must be paid before the account will be reconnected.

103 AREA COVERAGE AND LINE FACILITIES

In providing area coverage service, the Cooperative will provide a standard service connection that requires no facilities or services in excess of those normally provided by or acceptable to the Cooperative. The standard utility facilities provided by the Cooperative will be single-phase overhead primary serving single-phase overhead secondary services. An aid-to-construction fee per these Service Rules and Regulations may apply to non-standard service request. The Cooperative will require additional fees for underground facilities as described in Section 301 and for overhead facilities beyond the limits as described in Section 302.

When a member or an individual requests that the Cooperative supply electric service in a manner which requires equipment and facilities in excess of those which the Cooperative would normally provide, such excess equipment and facilities will be an aid-to-construction fee to the member. Aid-to-construction fees will be determined as specified in the Service Rules and Regulations.

200 - CONDITIONS OF SERVICE

201 GENERAL CONDITIONS

The Cooperative will supply electrical service to the member after all of the following conditions are met:

- A. The member is in compliance with all aspects of the service agreement and agrees to be bound by the Cooperative's Certificate of Incorporation and Bylaws.
- B. The member agrees to furnish without cost to the Cooperative all necessary distribution easements and rights-of-way as described in Section 800. Any consumer-member receiving services from the Cooperative, must, upon request, execute and deliver to the Cooperative grants of easement or right-of-way over and on such lands owned by the consumer-member. These easements shall be in accordance with such reasonable terms and conditions as are required for the furnishing of services to the applicant or other consumer-members or for the construction, operation, maintenance or relocation of the Cooperative's service facilities.
- C. Per Section 800, the member agrees that the Cooperative's authorized employees or agents will have right of access to member's premises at all times for the purpose of reading meters, testing, repairing, removing, maintaining or exchanging any or all equipment and facilities which are the property of the Cooperative. In cases where it is reasonably necessary and cost effective, the Cooperative may use, without payment to the member, the member's premises for accessing neighboring property served by the Cooperative.
- D. Any previous outstanding debts owed by the member to the Cooperative have been paid.
- E. Provision of service in no way conflicts with public authorities.
- F. All member wiring and equipment has met the requirements of the National Electrical Code and of the Cooperative, in addition to the specifications of any local authorities having jurisdiction. Proof of inspections meeting local and state governmental standards of the premises wiring have been made available by the member.
- G. The member agrees to be responsible for notifying the Cooperative of any additions to or changes in the member's equipment, which might affect the quality of service or might increase the member's electrical demand.

202 STANDARD SUPPLY VOLTAGES

One system of alternating current at a standard frequency of 60 cycles per second is supplied throughout the Cooperative's system.

The Cooperative will determine the voltage, number of phases, and type of metering, which shall be supplied, depending upon the Cooperative's available facilities and upon the character, size and location of the load to be served. The member shall consult the Cooperative before proceeding with the purchase and installation of wiring or equipment. To avoid misunderstanding, this information should be in writing from both the member and Cooperative.

The standard voltages described below are nominal and are subject to a plus or minus 10 percent variation:

- Single-Phase, 3-wire, 120/240 volts
- Three-Phase, 4-wire 208Y/120 volts
- Three-Phase, 4-wire, 480Y/277 volts
- Three-Phase, 4-wire Delta 240/120 volts (pole mounted transformers only)
- Three-Phase, 3-wire Delta 480/240 volts (pole mounted transformers only)

The standard primary voltages described below are nominal and are subject to a plus or minus 10 percent variation:

- Single-Phase, 2-wire, 7200 volts
- Three-Phase, 4-wire, 7200/12470 volts

It will not be considered a violation when voltages outside of the prescribed limits are caused by any of the following:

- Action of the elements
- Unplanned service interruptions
- Other causes beyond the control of the Cooperative

203 SERVICE INTERRUPTIONS

The Cooperative does not guarantee continuous and uninterrupted service and will not be liable for loss or damage to any member's equipment, belongings, real property, business losses or consequential damages caused by any failure to supply electric service or by any interruption or reversal of the supply of electric service, if such is due to any cause beyond the reasonable control of the Cooperative.

Such causes include, but are not limited to:

- a) An emergency action due to an adverse condition or disturbance on the system of the Cooperative, or on any other system directly or indirectly interconnected with it, which requires automatic or manual interruption of the supply of electric service to some consumers or areas in order to limit the extent or damage of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, or to effect a reduction in service to compensate for an emergency condition on an interconnected system.
- b) An act of God, or a public enemy, or insurrection, riot, civil disorder, fire, or earthquake, or an order from Federal, State, Municipal, County or other public authority.
- c) Making necessary adjustments to, changes in or repairs on lines, substations, and facilities, and in cases where, in the Cooperative's opinion, the continuance of service to consumer's premises would endanger persons or property.

The member will notify the Cooperative immediately of any defect in service or of any trouble or irregularity to the electric supply.

Maintenance work on lines or equipment requiring service interruption will be done, as far as practicable, at a time that will cause the least inconvenience to the members. The members to be affected by such planned interruptions will be notified in advance, if practicable.

204 STANDARD POWER

No electrical power sold by the Cooperative shall be used as reserve or standby service, or in any way in conjunction with any other service of power, without the Cooperative's prior written consent.

205 DELIVERY POINT AND SEPARATE METER FOR EACH RESIDENCE

In general, only one service drop will be installed to serve a building. Two or more houses used as family residences shall not be served through one meter. Each residential unit shall be separately metered.

206 SUPPLEMENTAL WRITTEN POWER CONTRACT

A supplemental written power contract may be required by the Cooperative from a commercial or industrial applicant for three phase services exceeding 1,000kW monthly demand. The Key Accounts Manager will approve and administer the requirements of the Supplemental Written Power Contract for each applicant meeting the 1,000 kW monthly demand criteria.

207 LOCATION OF ELECTRIC SERVICE

The Cooperative has the right, in rendering service to members, to install poles, lines, transformers or other equipment on members' property, and to locate delivery point and meter thereon, as the Cooperative decides this should be done, considering among other things economics of construction, adequacy of electrical service, accessibility to Cooperative facilities and aesthetic appearance.

208 NON-STANDARD SERVICE

A member shall pay the cost of any special installation necessary to meet his particular requirements for service at other than standard voltages, for the supply of closer voltage regulation than required by standard practice or for underground primary and/or secondary service.

209 AID TO CONSTRUCTION

Aid to Construction greater than \$1,000 must be paid prior to construction.

300 – SERVICE CONNECTIONS

301 UNDERGROUND POLICY

In areas not classified as developments, the Cooperative does not recommend the construction of underground primary facilities instead of the standard construction of overhead primary facilities along State DOT highways for the convenience of a property owner. Construction for a service may be delayed until the property owner approves overhead construction right-of-way easements.

Where three-phase services exceeding 1,000 kW monthly demand are to be supplied by existing multi-phase primary lines, the Cooperative may enter into a supplemental written power contract as described in Section 206.

For multi-phase underground service request with only existing overhead single-phase primary facilities available, the multi-phase service shall require an aid-to-construction fee for the extension of overhead primary multi-phase distribution lines to the service location. This fee will be calculated by the Engineering Department based on the Overhead Policy conditions of Section 302. If underground secondary services are requested, Section 301, Paragraph B will apply.

The following conditions will apply to Underground Facilities installed:

Applicable fees in this Section are listed in the Schedule of Fees.

- Where, due to rock or other conditions in the soil, as much as five percent (5%) of the trenching work cannot be accomplished by use of standard trenching machines, any excess cost incurred by such conditions may be charged by the Cooperative to the owner or developer. Where there are other unusual conditions, such as high water table, which require installation procedures not normally used, the excess cost of such procedures may be charged by the Cooperative to the owner or developer.
- Additional aid-to-construction charges shall be charged by the Cooperative to defray the expense of installing temporary overhead facilities installed at the request of and to accommodate the owner or developer when permanent underground facilities will be later required. This fee will be calculated by the Engineering Department based on the Overhead Policy conditions of Section 302.
- The owner or developer will furnish, without cost to the Cooperative, necessary easements and rights-of-way and will be required initially to cut and clear the same. The owner or developer will be required to have the rights-of-ways and all streets, alleys, sidewalks, and driveway entrances graded to within four (4) inches to six (6) inches of final grade and will have lot lines established, before construction of the electrical system begins.
- The type of construction and the location of electrical and equipment facilities will be at the discretion of the Cooperative. Should the owner or developer desire changes in location or type of construction, such installations will be made only upon the owner or developer agreeing to pay the Cooperative the estimated additional cost incurred as determined by the Engineering Department.
- The Cooperative shall have the option of placing transformers above ground on pad, or in approved enclosures, as the Cooperative in its sole discretion may determine to be practicable.

- All materials installed by the Cooperative pursuant to the terms hereof shall be and remain the property of Lumbee River Electric Membership Corporation.
- Shrubs, trees and grass sod requiring protection during the installation of the underground service will be the responsibility of the owner or developer, and the owner or developer will hold the Cooperative and/or its subcontractors harmless against any claims for such damage. It will be the responsibility of the owner or developer to reseed and/or maintain the trench cover.
- Obstacles encountered by the Cooperative such as a driveway, water line, sewer line or gas line crossings and meter bases not located feasible to the electrical distribution service connection point will be charged aid-to-construction fees.
- The owner will locate water lines, sewer lines, or any other underground lines or obstacles (not the Cooperative's power lines). The owner will hold the Cooperative and/or its subcontractors harmless against any claims for such damage. The owner can call NC 811 at 811 or 1-800-632-4949 if needed to locate other public utilities.

Upon request Lumbee River Electric Membership Corporation shall provide single-phase primary and/or secondary underground service to its members under the following conditions:

A. Underground Service to New Developments (such as Residential Subdivisions, Apartments, Commercial Developments, Industrial Parks and Mobile Home Parks) with No Existing Primary Overhead Facilities.

1. Underground Primary Distribution

Applicable aid-to-construction fees are listed in the Schedule of Fees.

At the request of an owner or developer, the Cooperative shall install underground primary distribution facilities to service single residences (subdivisions), apartment houses, commercial developments, industrial parks or mobile home parks in new developments where there is no existing overhead primary service. The owner/developer will pay in advance a non-refundable aid-to-construction fee for underground primary installations. A mobile home park must have water and sewer services and must provide spaces for not less than six (6) mobile homes. For new developments detailed drawings showing plot layouts must be submitted to the Cooperative for design of the electrical primary system. The Cooperative requires that the Restrictive Covenant for the new development specify on behalf of the Cooperative that "this property is subject to an ongoing monthly continuous fee for the installation and/or maintenance of underground utilities and street lighting by Lumbee River Electric Membership Corporation". In addition, right-of-way easements will be required as described in Section 800.

2. Underground Secondary

Applicable aid-to-construction fees are listed in the Schedule of Fees.

In new developments, all members receiving underground service shall pay a non-refundable aid-to-construction fee for underground secondary facilities in addition to the underground monthly surcharge.

An underground-locating contractor will locate existing public utilities. When the Cooperative encounters existing owner facilities, additional aid-to-construction fees may be assessed for the following conditions:

- Driveway Crossing (UG Bore)
- Water Line Crossing
- Sewer Line Crossing
- Meter Base installed in wrong location
- Required conduit (per foot)
- Gas Line

The owner or developer will be required to pay all costs incurred in cutting through and replacing pavement within the development.

The following conditions will apply to secondary underground service request:

- a) Where the individual lot secondary service run does not exceed one hundred fifty (150) feet from existing Cooperative utility equipment, the owner or developer will be required to pay in advance a non-refundable aid-to-construction fee.
- b) Where the individual lot secondary service run exceeds one hundred fifty (150) feet from existing Cooperative utility equipment and meets voltage drop standards, the owner or developer will be required to pay in advance an additional non-refundable aid-to-construction fee per foot for footage in excess of one hundred fifty (150) feet.
- c) Where the individual lot secondary service run exceeds one hundred fifty (150) feet from the existing Cooperative utility equipment and exceeds voltage drop standards, the owner or developer will be required to pay in advance an aid-to-construction fee for the length of underground primary required to establish voltage drop standards in addition to secondary service fees. This fee will be determined by the Engineering Department and will be calculated based on labor, materials and additional distribution equipment required due to electrical distribution improvements due to the avoidance of voltage drop.

B. Underground Service to Properties (such as residential and mobile homes) with Existing Overhead Primary Facilities.

Applicable aid-to-construction fees are listed in the Schedule of Fees.

At the request of an owner or developer, the Cooperative will furnish and install underground secondary services (service drops) in areas already being served with existing overhead primary facilities, upon the following conditions:

1. Where the secondary service run does not exceed one hundred fifty (150) feet, secondary underground services will be provided for a non-refundable aid to construction fee.
2. Where the secondary service run exceeds one hundred fifty (150) feet from existing Cooperative utility equipment and meets voltage drop standards, the owner or developer will be required to pay in advance an additional aid-to-construction fee per foot for secondary footage in excess of one hundred fifty (150) feet in addition to the aid-to-construction underground fee.

3. Where the secondary service run exceeds one hundred fifty (150) feet from the existing Cooperative utility equipment and exceeds voltage drop standards, the owner shall pay in advance the costs associated with the installation of underground primary line verses overhead primary lines in addition to the aid-to-construction underground fee. This cost will be determined by the Engineering Department and will be calculated based on labor, materials and additional distribution equipment for the distribution underground primary line length exceeding one hundred fifty (150) feet.

C. Underground Service to Apartments

Applicable aid-to-construction fees are described in the Schedule of Fees.

The owner or developer will be required to pay in advance an aid-to-construction for the primary underground facilities in an apartment project. Each consumer receiving service in such project or development shall have his monthly rate increased by a monthly surcharge for underground facilities.

D. Conversions of Service Drops (Overhead to Underground)

Applicable aid-to-construction fees are described in the Schedule of Fees.

At the request of an owner, the Cooperative will replace existing overhead service drops with underground service. The connection fee is included in the overhead to underground conversion aid-to-construction fee.

In the event the Overhead to Underground conversion can be classified as a Line and Facilities Relocation as defined in Section 304, the charge to retire the existing overhead service will be waived. However, the owner will be required to pay the underground installation charges as specified in Section 301, Paragraph B above.

For all other requests, the owner will be required to pay a non-refundable fee to retire the existing overhead service. In addition to the retirement fee, the owner will be required to pay underground installation charges as specified in Section 301, Paragraph B above.

E. Underground to Commercial and/or Industrial Facilities

Applicable aid-to-construction fees are described in the Schedule of Fees.

Upon request from the consumer, the Cooperative as defined in Section 301, Paragraph B above will install underground services to a commercial or an industrial installation.

1. The Engineering Department in conjunction with the Key Accounts Manager will approve primary and secondary underground aid-to-construction cost and Schedule of Fee charges for a commercial or industrial account that exceeds a monthly demand of 50kW.
2. For services with less than 50kW monthly demand the aid-to-construction fees will be determined by the Engineering Department in accordance with Section 301, Paragraph B.

302 OVERHEAD POLICY

A. Along State Department of Transportation Maintained Routes

Lumbee River Electric Membership Cooperative will extend single-phase primary overhead facilities along a State Department of Transportation (DOT) maintained road at no expense to any member.

The Cooperative will extend multi-phase primary lines along a DOT maintained highway under the following conditions:

- a) Multi-phase primary lines will be extended at the expense of the Cooperative based on the engineering design recommendations of the current RUS approved Construction Work Plan.
- b) For a member request, multi-phase overhead primary lines shall be assessed an aid-to-construction fee equal to the cost difference between single-phase overhead primary and the multi-phase primary along the highway route. The aid to construction will be calculated based on the formula located under item "B." of this section.

B. Along Routes Not Maintained by the Department of Transportation

Services requiring single-phase or multi-phase overhead primary distribution extensions along routes not maintained by DOT shall be assessed an aid-to-construction fee that will be determined by the Engineering Department based on the following formula:

Aid-to-Construction Fee = Cost of Construction - Construction Credit

- **Cost of Construction**

The non-betterment construction cost per mile/foot will be based on the current RUS Construction Contracts construction price per mile/foot for standard construction types.

- **Construction Credit**

The projected construction credit (not to exceed the actual construction cost) will be calculated by the Engineering Department and will be based on the following service characteristics:

- Service Panel Amperage Rating
- Service Voltage and Phase requirements
- Power Factor
- Load Diversity
- kWh usage
- Energy Charge per applicable Electric Rate Schedule

C. Overhead Secondary

Lumbee River Electric Membership Corporation will extend overhead secondary service from overhead primary facilities at no expense to any member. Aid-to-construction fees may apply for additional facilities required due to the convenience of a member. Situations of this type will be addressed on an individual basis and the aid-to-construction fee will be determined by the Engineering Department based on labor, materials and additional equipment. An example of this type includes the requirement of an extra utility pole due to the house meter base installed in a location not convenient with existing electrical facilities.

303 ENGINEERING SERVICE FEE

All individuals requesting relocation or modifications of existing LREMC electrical facilities will be assessed an Engineering Service Fee as listed in the Schedule of Fees. This cost is a non-refundable fee to visit the site and determine if the request is feasible. If the request is deemed feasible and the work is completed within twelve (12) months of the request, the Engineering Service Charge will be applied to any aid-to-construction costs.

304 LINE AND FACILITIES RELOCATION

Applicable aid-to-construction fees are described in the Schedule of Fees. As a minimum, the Engineering Service Fee in Section 303 will apply.

Lumbee River Electric Membership Corporation will relocate existing overhead and/or underground facilities under the following conditions:

A. Conflict of Property

If the construction of owner facilities will create clearance violations per the National Electric Safety Code between existing distribution facilities and the new owner facilities, the Cooperative will relocate existing distribution facilities that unreasonably interfere with the use of the property on which they are located and are in conflict with the placement of a new residence or other owner facilities.

The requesting party shall secure all necessary right-of-way easements needed for the relocation. Such relocation shall be completed only after the requesting party has paid an aid-to-construction fee and submitted the easements to the Cooperative. The aid-to-construction fee will be determined by the Engineering Department and calculated as follows:

Aid-to-Construction Fee = Cost of Construction - Construction Credit

- **Cost of Construction**

The non-betterment construction cost per mile/foot will be based on the current RUS Construction Contracts construction price per mile/foot for standard construction types. In addition, the retirement cost of existing facilities will be included.

- **Construction Credit**

The projected construction credit (not to exceed the actual construction cost) will be calculated by the Engineering Department and will be based on the following service characteristics for new or increased loads:

- Service Panel Amperage Rating
- Service Voltage and Phase requirements
- Power Factor
- Load Diversity
- kWh usage
- Energy Charge per applicable Electric Rate Schedule

B. Owner Convenience

In the event the Cooperative determines that the relocation request is at the convenience of the owner and that no National Electric Safety Code violations will occur due to the owner construction, the Cooperative will relocate the existing distribution facilities recognizing the fact that the non-betterment cost of construction of such relocation shall be borne by the requesting owner.

The requesting party shall secure all necessary right-of-way easements needed for the relocation. Such relocation shall be completed only after the requesting party has paid an aid-to-construction fee and submitted the easements to the Cooperative.

C. State or Government Agencies

Lumbee River Electric Membership Corporation will relocate existing distribution facilities upon request from the State Department of Transportation (DOT) or when required by state and local governments, recognizing the fact that the non-betterment cost of construction of such relocation shall be borne by the requesting party.

305 SERVICE CONNECTIONS

The Cooperative shall furnish and install only one service to a meter. The consumer must furnish a point of delivery for the Cooperative's service facilities, which shall meet the National Electric Code and the Cooperative's requirements under territorial assignment agreement.

The point of delivery furnished by the consumer must be located at a point where the Cooperative facilities can be constructed at a reasonable cost, and in accordance with sound engineering practices.

The Cooperative's responsibility for installation and/or maintenance of service facilities shall not extend beyond the point of delivery to the consumer's building, central distribution point, or the electrical power consumption measuring device.

A service pole for overhead service for a mobile home shall be furnished and installed by the owner of the mobile home or owner of the mobile home lot. The service pole shall be twenty (20) feet in height and shall be in the ground four (4) feet.

A consumer may have any number of service connections under one membership. Consumers desiring additional service connections, however, must file for each desired service connection through an acceptable method provided by the Cooperative.

When it is necessary to replace the existing facilities of the Cooperative and the Cooperative opts to relocate their facilities, the Cooperative shall pay for the necessary changes associated with the lines serving the consumer's facility.

All meters, service connections, and other equipment owned by the Cooperative shall be and remain the property of the Cooperative. The member shall provide a space for, and exercise proper care to protect the property of the Cooperative on his premises. In the event of loss or damage to Cooperative property arising from neglect of member to care for same, the cost of necessary repairs or replacement shall be paid by the member.

306 TEMPORARY SERVICE POLES

Applicable fees are described in the Schedule of Fees.

Temporary poles for attachment of service wires, metering equipment, and bracing of these facilities shall be furnished by the member who has the new building under construction or who is reconstructing a building. A temporary service connect fee will be charged as listed in the Schedule of Fees.

The temporary service pole shall be constructed in accordance with the National Electric Code and applicable Lumbee River Electric Membership Corporation specifications.

In addition to the normal meter base, the temporary service pole shall have a current protected service panel and necessary convenient outlets for use by the member and shall meet county electrical requirements.

307 MEMBER CONVENIENCE SERVICES

Applicable fees are described in the Schedule of Fees.

A. Raising or Lowering Electrical Lines

Under most circumstances, the Cooperative will, upon request, raise or lower lines to afford a safe passage for buildings or equipment being moved. This request must be scheduled in advance and the individual will be required to pay in advance an applicable fee as listed in the Schedule of Fees. Actual labor and equipment charges will be calculated after completion and a final invoice minus the service fee deposit will be billed.

B. Temporary Disconnect and Reconnect of Service

The Cooperative will, upon request, disconnect and secure a service for member conveniences. Examples of this include changing out a meter base, moving mobile homes in and out or safety concerns with tree removal. Reconnection will be scheduled and performed provided that all county code requirements have been met. These requests must be scheduled in advance and the member will be required to pay a service fee as listed in the Schedule of Fees.

The Cooperative will not charge members a fee for service connection or disconnection during an outage situation caused by an act of God (hurricane, ice storm, wind, etc.). This waiver will cover the period of three (3) business days following the end of the Outage.

C. Same Day Services

Same day services are defined as a request for service during normal working days prior to 2:00 P.M. in which the member requires an account to be connected. Services requiring the installation of underground or overhead facilities or equipment are not same day services. Same day service requests will be charged an applicable fee as listed in the Schedule of Fees.

D. Overtime Services

Overtime services are defined as a request for service during normal working days after 2:00 P.M. or on holidays or weekends in which the member requires an account to be connected. Services requiring the installation of underground or overhead facilities or equipment are not standard overtime services.

308 GENERAL WIRING REQUIREMENTS

Each consumer shall cause all premises receiving electric service pursuant to his membership to become and remain wired in accordance with the specifications and requirements of the Cooperative, the North Carolina Fire Insurance Underwriters Bureau, the National Electric Code, and any requirements of local government agencies having jurisdiction over the premises. All service entrance cable shall be in accordance with the National Electric Code from the service head to the meter socket.

309 MEMBER EQUIPMENT

A. ELECTRIC MOTORS

The Cooperative should always be consulted on motor installations. The maximum permissible size depends upon the consumer's location on the distribution system and the capacity of the circuit.

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

All motors should be provided with devices that will protect the motor against overload or short circuit. All three-phase motors should have overload and single-phase protection devices on each of the three-phase wires to insure proper protection for the motor. All three-phase motors shall be equipped with devices for protection against "single-phasing". Motors that cannot be safely subjected to full voltage at starting should be equipped with a starting device.

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

B. ELECTRIC WELDERS AND MISCELLANEOUS DEVICES

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

The Cooperative should be notified before installation of the equipment.

C. CONSUMER RESPONSIBILITY

All such required protection equipment shall be installed at the expense of the consumer.

310 POWER FACTOR CORRECTIONS

The member will at all times maintain a power factor at the point of delivery as close to one hundred percent (100%) as practicable. Where the overall power factor of the member's load is less than ninety-five percent (95%) lagging, the Cooperative may require the member to install at the member's own expense equipment to correct the power factor, and may adjust the member's billing demand as

specified by the applicable rate schedule. The Cooperative reserves the right to measure the power factor at any time.

311 MULTI-PHASE SERVICE

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

312 FOREIGN ELECTRICITY, PARALLEL SERVICE, AND STANDBY GENERATION

The member will not use the Cooperative's electric service in parallel with other electric service, nor will other electric service be introduced on the premises of the member for use in conjunction with or as a supplement to the Cooperative's electric service, without prior written consent of the Cooperative.

Where approved standby and/or supplemental on-site generation is provided by the member, parallel operation of the member's generating equipment with the Cooperative's system will not be allowed, without express permission of the Cooperative. The member will install all protective devices specified in the National Electric Code, or the National Electric Safety Code, as applicable.

313 QUALIFYING FACILITIES AND INDEPENDENT POWER PRODUCERS

The Cooperative is required to comply with the Public Utility Regulatory Policies Act of 1978 (PURPA), along with rules and regulations promulgated under PURPA as they relate to qualifying facilities (QF). Any owner/operator of a QF desiring to connect with and sell electric demand and energy to the Cooperative shall notify the Cooperative. A current rate schedule will be provided to the owner/operator upon request.

Any contracts for the sale of electric demand and energy from a QF will be made between the owner/operator and the Cooperative or North Carolina Electric Membership Corporation (NCEMC). The Cooperative will assist the owner/operator in making initial contact with NCEMC.

Also through a similar prior arrangement with NCEMC, all contracts for the sale of electric demand and energy from an independent power producer (IPP) will be made between the owner/operator and NCEMC. The Cooperative will assist the owner/operator in making initial contact with NCEMC.

314 ENERGY MANAGEMENT ASSISTANCE

The Cooperative will, at no charge, investigate, render advice and lend assistance needed for all reasonable requests of the member pertaining to the member's account, usage, load management equipment, and energy conservation measures.

315 POLE ATTACHMENTS

Lumbee River Electric Membership Corporation owns, operates, and maintains lines of utility poles extending in Scotland, Robeson, Cumberland and Hoke Counties, North Carolina. The Cooperative shall consider approving a company to attach its communications facilities on certain poles of the Cooperative for the purpose of the transmission of cable television or telecommunications signals in compliance with local, state or federal laws, rules, regulations, ordinances, and franchises; provided that such attachments or transmissions of cable television or telecommunications signals do not interfere with the corporate purposes of the Cooperative or interfere with the furnishing of electrical service to consumers of the Cooperative, and where in the Cooperative's judgment, safety will not be adversely affected. A Pole Attachment Agreement must be executed between the Cooperative and the requesting company. Annual pole attachment rates and other costs shall be specified in the Pole Attachment Agreement. The attaching company will not be covered under Cooperative easements and shall obtain right-of-way easements from property owners.

400 – OUTDOOR LIGHTING SERVICES

401 OUTDOOR LIGHTS SERVED OVERHEAD

The purpose of this section is to establish a fair and equitable basis for installing and/or relocating overhead service to outdoor lights. The monthly rates for all lights are defined in the Cooperative's Electric Rate Schedule D, Outdoor Lighting Service. The Cooperative has established a wood pole with several fixture selections as the standard lighting option. Non-standard lighting may be requested by the member for an additional aid-to-construction fee. The Engineering Department will determine the aid-to-construction fee for all non-standard lighting requests.

Applicable aid-to-construction fees are described in the Schedule of Fees.

A. Installation of Overhead Service for Outdoor Lights

Upon request, a single outdoor light or multiple outdoor lights served overhead will be furnished and installed for members of the Cooperative upon the following conditions:

- The member shall agree to pay a monthly outdoor light rate, per light from the date of initial installation. The member will also agree to sign a contract agreeing to keep the light in service for 36 months.
- The member shall inform the Cooperative of the quantity and recommended location of outdoor lights. All outdoor light locations will be approved by the Cooperative's Engineering Department.
- Any applicable aid-to-construction fees are paid in advance.

The following options will apply to single or multiple outdoor light requests:

1. New Services

Connection of overhead service to an outdoor light located within one hundred fifty (150) feet of available service will be installed at no cost to the member if requested and installed with the initial service request. In the event the desired location for an outdoor light exceeds one hundred fifty (150) feet, an aid-to-construction fee will be assessed by the Engineering Department for the extra wire and/or pole(s). If an outdoor light is requested after the construction of a service, the member will be assessed an aid-to-construction fee per the conditions of an existing service defined in Item 2 below.

2. Existing Service

A service shall be considered "existing" after a Cooperative crew or the Cooperative's contractors have finished installing the service. Connection of overhead service to an outdoor light located within one hundred fifty (150) feet of available service will be assessed an aid-to-construction fee for each light. In the event the desired location for each outdoor light exceeds one hundred fifty (150) feet, an additional aid-to-construction fee will be assessed by the Engineering Department for the installation of extra wire and/or pole(s).

3. **Relocation of Outdoor Lights**

Initially, all outdoor lights served overhead are installed at locations requested by the member and agreed to by the Cooperative. The Engineering Service Fee in Section 303 will apply to all outdoor light relocation requests. Outdoor lights can be relocated provided the member pays, in advance, the engineering service fee and an aid-to-construction fee based on labor and materials as determined by the Engineering Department.

402 **OUTDOOR LIGHTS SERVED UNDERGROUND**

The purpose of this section is to establish a fair and equitable basis for relocating and/or installing underground service to outdoor lights. The monthly rates for all lights are defined in the Cooperative's Electric Rate Schedule D, Outdoor Lighting Service. The Cooperative has established a wood pole with several fixture selections as the standard lighting option. Non-standard lighting such as decorative poles and fixtures may be requested by the member for an additional aid-to-construction fee. Decorative lighting aid-to-construction fees are established in the Schedule of Fees. Ground mounted flood or directional lighting will not be installed by the Cooperative. This type of lighting shall be served from a customer owned meter base with proper disconnect.

Applicable aid-to-construction fees are described in the Schedule of Fees.

A. Installation of Underground Service for Outdoor Lights

Upon request, a single outdoor light or multiple outdoor lights served underground will be furnished and installed for members of the Cooperative upon the following conditions:

- The member shall agree to pay a monthly outdoor light rate, per light from the date of initial installation. The member will also agree to sign a contract agreeing to keep the light in service for 36 months.
- The member shall inform the Cooperative of the quantity and recommended location of outdoor lights. All outdoor light locations will be approved by the Cooperative's Engineering Department.
- The member must inform the Cooperative of the exact location of all existing underground obstacles. Such obstacles include but are not limited to septic tanks, drainage lines, telephone cable, cable television facilities, etc. The Cooperative shall not be responsible or liable for any damage to other underground facilities including, septic tanks, drainage lines, telephone or cable television facilities, etc. if not properly located.
- Any applicable aid-to-construction fees are paid in advance.

The following options will apply to single or multiple outdoor light requests:

1. **New Services**

Connection of underground service to an outdoor light located within one hundred fifty (150) feet of an available service connection will be installed at no cost to the member if requested and installed with the initial service request. In the event the desired location for each outdoor light exceeds one hundred fifty (150) feet, an aid-to-construction fee will be assessed by the Engineering Department for footage exceeding one hundred fifty (150) feet. If an outdoor light is requested after the construction of a service, the member will be assessed an aid-to-construction fee per the conditions of an existing service defined in Item 2 below.

2. **Existing Service**

A service shall be considered “existing” after a Cooperative crew or the Cooperative’s contractors have finished installing the service. Connection of underground service to an outdoor light will be assessed based on the distance from an available service connection. The distance criteria will be classified 1) as adjacent to, 2) less than one hundred fifty (150) feet or 3) exceeding one hundred fifty (150) feet from an available service connection. In the event the desired location for each outdoor light exceeds one hundred fifty (150) feet, an additional aid-to-construction fee will be assessed by the Engineering Department for footage exceeding one hundred fifty (150) feet.

3. **Relocation of Outdoor Lights**

Initially, all outdoor lights served underground are installed at locations requested by the member and agreed to by the Cooperative. The Engineering Service Fee in Section 303 will apply to all outdoor light relocation requests. Outdoor lights can be relocated provided the member pays, in advance, the engineering service fee and an aid-to-construction fee based on labor and materials as determined by the Engineering Department.

403 STREET LIGHTING

Applicable aid-to-construction fees are described in the Schedule of Fees.

Street lighting installed in conjunction with either primary overhead or underground electrical services is available to consumers in developments such as residential subdivisions, mobile home parks and apartment complexes where all members will be charged a monthly street lighting surcharge. The Cooperative has established a wood pole with several fixture selections as the standard lighting option. Non-standard lighting such as decorative poles and fixtures may be requested by the owner or developer. Lighting requests for areas such as parking lots, shopping centers or other public or commercial areas will be provided by the Cooperative under a special lighting contract, as described in Section 404, approved by the Economic Development Department or under the outdoor light options as defined in Section 401 and 402.

A. New Developments: Installation of Street Lights

Where street lights are to be installed as part of the primary overhead or underground electric system of a new development under construction, such as a residential subdivision, apartment complex or mobile home park the following terms and conditions shall apply:

1. There shall be no aid-to-construction fees in addition to those normally applied to the installation of a new primary electrical distribution system provided that the owner or developer selects the standard street lighting option of a wood pole and standard fixture. If the owner or developer desires non-standard street lighting such as decorative poles or fixtures, the style of such decorative lighting shall be consistent throughout the development and all members shall pay a monthly decorative street lighting surcharge, which will appear on their monthly bill to cover the Cooperative's cost to maintain the street lights.
2. The Cooperative will energize street lights based on the number of permanent services established. If street lights are requested without the minimum accounts energized, the Cooperative will establish a street light account only for the owner/developer and the street lights will be billed on a per light charge. It will be the responsibility of the street light account member to notify the Cooperative for account review as other permanent accounts are established.
3. Members who live in the subdivision shall pay a monthly street light surcharge which will appear on their monthly bill to cover costs of maintaining street lights. The Cooperative requires that the Restrictive Covenants address this ongoing monthly fee.
4. The number of street lights, distance between the street lights and the exact location of the street lights shall be determined by the Engineering Department.
5. Upon request, street lighting design standards will be improved to increase the ratio of street lights per lots. For requests of this type, the Cooperative will establish a special monthly surcharge rate which will be applied to all members of the development to cover the special street light design.

B. Existing Developments: Installation of Street Lights

The Cooperative will install, provide electric service and maintain street lights in an existing overhead or underground primary electrical system after the following terms and conditions have been met:

1. All members in the development shall execute an agreement (petition request signed by all members in the development) requesting the installation of street lights and agree to pay a monthly surcharge, which will appear on their monthly bill, to cover the Cooperative's cost to maintain the street lights.
2. If the development members desire non-standard street lighting such as decorative poles or fixtures, the style of such decorative lighting shall be consistent throughout the development and all members shall pay a monthly decorative street lighting surcharge, which will appear on their monthly bill to cover the Cooperative's cost to maintain the street lights.

C. Relocation of Street Lights

All street lights served overhead or underground are installed at locations determined by Lumbee River Electric Membership Corporation's Engineering Department. The Engineering Department will review requests and determine the feasibility of relocating a street light. If the Engineering Department deems relocation feasible, the outdoor light shall be relocated to a location agreed upon by the member and the Engineering Department upon payment of an aid-to-construction fee. The Cooperative reserves the right to refuse to relocate the light if, in the opinion of the Engineering Department, such relocation is not feasible. The non-refundable Engineering Service Fee as defined in Section 303 shall apply on all street light relocation requests.

404 SPECIAL LIGHTING CONTRACTS

The Cooperative will provide assistance with obtaining service for lighting not addressed in Sections 401 through 403. Lighting requests for areas such as parking lots, shopping centers or other public, industrial or commercial applications will be provided by the Cooperative under a special lighting contract approved by the Economic Development Department. The member or developer must provide to LREMC all lighting design criteria. Special lighting contracts will be considered on an individual request basis.

500 – CONVENTIONAL BILLING

The Cooperative offers a conventional billing process that provides members the opportunity to receive electric service prior to payment. The amount of energy consumed and associated electric service charges are billed after the electricity has been used. Members have a choice of receiving a paper bill through the mail or enrolling in the Cooperatives online bill pay program (SmartHub). Conventional billing requires account security.

501 SERVICE SECURITY DEPOSITS

An interest bearing security deposit shall be collected as defined in the following paragraphs of Section 501 prior to connecting any service.

A member in good standing that adds or transfers service at one location and requests like service at another location within the Cooperative's service area will not be charged a security deposit for the service at the new location.

In determining the need for security deposits, and the amount of such deposits, the Cooperative will give careful regard to the following factors:

- a) Risk involved in a new business enterprise;
- b) The credit rating of the consumer;

Security deposits other than those described below will be required by special contract or when, as determined by the cooperative, such security deposit is necessary due to the type of service.

The security deposit will be refunded automatically after a period of twenty-four (24) consecutive months for a member in good standing. The account will be reviewed monthly to determine if the previous twenty-four (24) month period from which the security deposit was paid qualifies the member for a returned security deposit. Interest will begin to accrue after the first ninety (90) days and levels will be determined by the Cooperative, approved by the Board of Directors, reviewed periodically, and adjusted when deemed appropriate.

Upon termination of membership, the security deposit (if not already refunded) will be refunded or applied against any unpaid balance owed to the Lumbee River Electric Membership Corporation.

Security Deposit options will be established as follows:

A. Members without an approved Credit Rating or Guarantor

Applicable fees in this Section are listed in the Schedule of Fees.

A security deposit will equal the greater of the standard security deposit fee or two (2) times the average monthly electric service charges for the service location over the previous twelve (12) month's usage. New service locations or locations with less than twelve (12) months usage will default to the standard security deposit fee.

B. Members with Approved Credit Rating

Applicable fees in this Section are listed in the Schedule of Fees.

The Cooperative will check the credit rating for a member applying for service to determine eligibility. The Cooperative will waive the security deposit with an approved credit rating. A security deposit, per the conditions of Paragraph A of this Section, may be required at any subsequent time the member payment record falls below that of a member in good standing and the Cooperative determines that a security deposit is needed to ensure payment.

C. Members with Guarantee Contract

Applicable fees in this Section are listed in the Schedule of Fees.

The applicant for electric service from Lumbee River Electric Membership Corporation may provide (in lieu of the member security deposit) a guarantee contract whereby a member who has had a good credit standing with the Cooperative for a minimum of two (2) years (the guarantor), agrees in writing to guarantee payment for electrical service to be furnished by the Cooperative to the applicant. In consideration of the furnishing of electric service by Lumbee River Electric Membership Corporation to the applicant without requiring a deposit, the guarantor shall agree in the guarantee contract to pay all sums owed by the applicant for electric service up to the required deposit amount if the applicant shall at any time be in default in payment of charges for electric service to the Cooperative. The guarantor is limited to two (2) guarantee contracts at the same time. The guarantor account must be a primary account. Street light accounts, for example, are not acceptable.

In the event of default by the applicant, the unpaid charges up to the required deposit amount may (at the option of the Cooperative) be billed to the electric service account of guarantor at the next billing cycle of the guarantor or at such subsequent billing cycle as the Cooperative may determine to be proper. In the event that the guarantor does not either pay the entire bill, including the guaranteed amount on a timely basis or make arrangements satisfactory to the Cooperative for payment of such bill, the electric service furnished to the guarantor by the Cooperative will be subject to disconnection as provided by the Cooperative's Service Rules and Regulations.

The guarantee contract shall apply to all electric service furnished to the applicant for each account of the applicant. The guarantee contract shall remain in full force and affect until either, (a) the applicant establishes satisfactory credit (a minimum period of twenty-four (24) months) with the Cooperative or (b) The Cooperative has ceased to furnish electric service to the applicant. After the occurrence of either (a) or (b) above, the Cooperative may terminate the guarantee contract upon written notice to the guarantor; provided, that in no event shall termination of the guarantee contract release the guarantor from liability under the guarantee contract with respect to any charges for electric service furnished to the applicant prior to the effective date of such termination.

In the guarantee contract, the guarantor shall waive notice of acceptance of the guarantee and shall further waive notice of default in payment by applicant. The guarantee contract shall be executed by the guarantor and notarized. Where there is a guarantee contract to be signed by a guarantor holding a joint membership, the contract shall be executed by both members and notarized.

D. Military Members Waiver of Security Deposit Program

Applicable fees in this Section are listed in the Schedule of Fees.

Lumbee River Electric Membership Corporation has established a Military Waiver of Security Deposit Program for members stationed at Ft. Bragg. The military applicant shall be required to establish a membership as defined in Section 101. An application for Military Waiver of Security Deposit shall be completed by the requesting military applicant, and submitted to the military agency for approval. The Military Waiver Program approved applicant will have the security deposit guaranteed by the agency for \$200.00. After receiving an approved application, Lumbee River Electric Membership Corporation will determine the balance of the security deposit as established in Section 501, Paragraph A for the primary and any additional service accounts. The military applicant is responsible for the remaining deposit balance amount required above \$200.00.

In the event the member is discharged from the military or transferred from Ft. Bragg, the Military Waiver of Security Deposit Application will be voided and the member shall be required to establish a security deposit per the conditions of Paragraph A, B or C of this Section. If the security deposit is initially waived, per the conditions of Paragraph B, and the member payment record falls below that of a member in good standing a security deposit, per the conditions of Paragraph A, may be required if the Cooperative determines that a security deposit is needed to ensure payment.

E. Churches, Schools and Public Service Buildings

Applicable fees in this Section are listed in the Schedule of Fees.

Churches, schools and public service buildings shall be required to establish a membership as defined in Section 101 and may be required to pay a security deposit. Churches should provide a federal identification number to document their nonprofit status. A security deposit, per the conditions of Paragraph A of this Section, may be required at any subsequent time the member payment record falls below that of a member in good standing and the Cooperative determines that a security deposit is needed to ensure payment.

F. Commercial Accounts less than 50kW Monthly Demand Usage

Applicable fees in this Section are listed in the Schedule of Fees.

1. Existing Members

A member may have any number of service connections under one membership. A member shall not be required to establish a membership for an additional service established as a commercial account. The commercial account shall be charged a security deposit of the greater of the standard security deposit or two times the estimated monthly bill for electric service. The security deposit may be waived if the applicant meets the conditions of Paragraph B or C of this Section. If the security deposit is initially waived, per the conditions of Paragraph B, and the account payment record falls below that of a member in good standing a security deposit, per the conditions of Paragraph A, may be required if the Cooperative determines that a security deposit is needed to ensure payment. If a member elects to establish the commercial account under a new membership the account will be established per the requirements of Item 2 below.

2. New Members

An applicant requesting a membership for a commercial account shall be required to establish a membership as defined in Section 101. The commercial account shall be charged a security deposit of the greater of the standard security deposit or two times the estimated monthly bill for electric service. The security deposit may be waived if the applicant meets the conditions of Paragraph B or C of this Section. If the security deposit is initially waived, per the conditions of Paragraph B, and the account payment record falls below that of a member in good standing a security deposit, per the conditions of Paragraph A, may be required if the Cooperative determines that a security deposit is needed to ensure payment.

G. Industrial Accounts or Commercial Accounts exceeding 50kW Monthly Demand Usage

Applicable fees in this Section are listed in the Schedule of Fees.

An applicant for an industrial or commercial account exceeding 50kW monthly demand usage who is already a member shall not be required to establish a membership. An applicant for an industrial or commercial account exceeding 50kW monthly demand usage who is not a member shall be required to establish a membership as defined in Section 101. The Key Accounts Manager will determine security deposits for industrial or commercial accounts exceeding 50kW monthly demand usage. The deposit will not exceed two (2) times the estimated monthly bill for electric service and the security deposit will be collected in advance of the service connection.

H. Additional Service Connections

Applicable fees in this Section are listed in the Schedule of Fees.

A member may have any number of service connections under one membership. A member with more than one account is equally responsible for current payment of all accounts, and service may be denied for a new service for failure to pay on another account under the same member. Security deposit requirements shall be determined as follows:

1. A member in good standing shall not be required to pay the security deposit for each additional service. A security deposit, per the conditions of Paragraph A of this Section, may be required at any subsequent time the member payment record falls below that of a member in good standing and the Cooperative determines that a security deposit is needed to ensure payment.
2. A member not in good standing shall be required to pay a security deposit per the applicable conditions of Paragraph A or C of this Section.

I. New Developments (Residential Subdivisions, Apartments, Commercial Developments, Industrial Parks or Mobile Home Parks)

Applicable fees in this Section are listed in the Schedule of Fees.

Please reference the Underground Policy, Section 301, Paragraph A, Item 2 for additional information. The Cooperative will request the notarized execution of an agreement between the Cooperative and the Owner/Developer. The “LREMC and Developer Construction Guideline Agreement” details the construction guidelines required by the Cooperative for the installation of electrical primary infrastructure.

A. Bill Statement

The current charges are due and payable upon receipt and are considered delinquent if payment is not received in the office by the end of the 25th day from the statement date. If payment is not received by the payment due date, the current charges will be classified as delinquent by the Cooperative and a service fee of 1% will be added to the delinquent amount. If the delinquent amount is not paid by the next month's billing, the bill statement will itemize the current charges, establish a payment due date for the current charges, and identify the delinquent amount owed to the Cooperative. The delinquent amount is due immediately and is not granted an extension to the bill statement past due date for the current charges.

B. Disconnect Notice

If the member fails to pay the delinquent amount, the next monthly billing will notify the member of the delinquent amount and date the account is subject for disconnection. This notification is considered the Disconnect Notice and a \$5 fee will be added to the account. If the delinquent amount is not received in full by the disconnect notice due date, the account will be disconnected for non-payment of delinquent charges. The Cooperative's office may be contacted to discuss credit arrangements. The disconnect notice will also identify Schedule of Fees charges for reconnections due to non-payment.

The Cooperative will not disconnect Conventional Billing accounts for non-payment after 4:00 P.M. Monday through Friday, or on a weekend, or a legal holiday.

The Cooperative may refer the account to a collection agency at a cost to the member.

The member may request a letter specifying the delinquent amount and Cooperative's intent to disconnect be sent to a specified third party.

C. Payment Locations and Options

Payments may be made during office hours at any one of the Cooperative's offices, located in Red Springs, Lumberton, Laurinburg, Fairmont, or Raeford. Payments after hours may be placed in the after-hours deposit facility located at each office. Payments by after-hours deposit will require a minimum of two business days (48 hours) to post to the account. Payments by mail will be posted in the same day received. Post-dated checks will not be acknowledged and will be processed upon receipt. Payments may also be made by bank draft, bank Electronic Funds Transfer (EFT) or credit card (VISA or MasterCard) by telephone or on-line at www.lumbeeriver.com. EFT payments processed by third party vendors are the responsibility of the member and are not posted to the member's electric account until payment is received. EFT vendors may take three (3) to five (5) business days to credit the Cooperative account. Budget billing is available upon request for members who elect equalized payments throughout the year.

D. Reconnection for Non-Payment

For all reconnect requests due to disconnection for non-payment, the payment shall include all past due amounts as identified in the disconnect notice plus a standard reconnect fee. The fees described above are listed in the Schedule of Fees. All payments shall be received by the Cooperative before electrical service can be restored.

E. Security Deposit

A security deposit, per Section 501, may be required at any subsequent time the member payment record falls below that of a member in good standing and the Cooperative determines that a security deposit is needed to ensure payment.

F. Additional Services

If a member has more than one service, the Cooperative reserves the right to apply payments made by the member to any account owed to the Cooperative. All payments received will first be applied to any applicable Schedule of Fees charges on the delinquent account with any payment balance applied against the electric service charges.

G. Late Charge Waiver Plan

The Cooperative offers a Late Charge Waiver Plan to qualified members as a means of waiving the service fee for delinquent account and disconnect notice service fee as specified in the Section of Fees for late payment for a senior citizen (age 62 or older), disabled or handicapped member. To qualify, a member must meet the following conditions:

1. The member must provide the required proof of age, disability, or handicap and,
2. The member's account is current and the member is in good standing at the time the member request sign up for the Late Charge Waiver Plan.

The Cooperative will not charge a service fee for delinquent account or a disconnect notice service fee on the member's account however, if the account is not paid prior to the disconnect date, it will appear on the disconnect list and the member will be subject to disconnect.

H. Medical Alert Provision

A member has the responsibility to have a health care professional notify the Cooperative in writing if there is someone in the member's household who is either chronically or seriously ill, disabled or on an electrically operated life support system. In that case, the member has the right to special handling of their account should service become subject to disconnection for failure to pay the electric bill. The Cooperative will periodically conduct a review of all accounts with medical alert provisions and potentially requires annual recertification of the medical alert necessity.

I. Property Damage

In the event an emergency, such as a fire or acts of God, renders a member's primary residence unlivable, the Cooperative will waive payment of any electric service received for the period from the last meter reading date to the date of damage. Upon notification by the member of property damage, the account will be coded "inactive-no final bill due". Unlivable is defined as damage which renders the home totally destroyed or structurally unsafe for habitation. The Cooperative will address situations of this type on a case by case basis.

503 BILLING ADJUSTMENTS

Debit or credit adjustments to the electric bill due to inaccurate metering equipment, errors in meter reading or billing will be made promptly. In the event of an error resulting in a debit to the account, the member will be responsible for the additional charges. The Cooperative will allow installment payments to be made over the same period of time during which the error occurred. If the additional charges are not paid according to the installment plan, the Cooperative will consider these as delinquent and proceed with the failure to pay options as described in Section 502.

Credit adjustments to the electric bill may be warranted if the member provides sufficient evidence and repair receipts by a licensed service company that equipment malfunction or failure resulted in excess energy usage. Excess energy usage will be calculated and sold at Cooperative cost, with a limit of 30 days' usage.

If the origin date of the error cannot be determined, then the adjustment will be limited to 3 years in accordance with NC State law. Billing adjustment will be based on an estimation of usage and/or demand for a specified period of time as determined by the Cooperative.

A member may request that a meter be tested. Applicable charges per the Schedule of Fees may apply

504 OTHER REASONS FOR DISCONNECTION

When a field visit is required for the below actions, the applicable charges per the Schedule of Fees will apply.

- Service will be disconnected immediately and without notice for any of the following reasons:
 1. Discovery of apparent meter tampering (See Section 704).
 2. Diversion of electric current.
 3. Use of power for unlawful, unauthorized or fraudulent reasons.
 4. Discovery of an electrical condition determined by the Cooperative to be potentially dangerous and eminently hazardous to life or property of the Cooperative or the public.
- Service may be disconnected after notice has been given and reasonable time to comply has been allowed for any one of the following conditions:
 1. For violation of and/or non-compliance with any applicable state or other local laws, regulations and codes pertaining to electric service.
 2. For non-compliance with the Cooperative Bylaws or Service Rules and Regulations.
- Electric service disconnected for reasons described above will be reconnected when infractions are corrected. All applicable fees as described in the Service Rules and Regulations and Schedule of Fees will apply to the reconnection.

505 EXTENSION OF CREDIT

At the discretion of the Cooperative, credit classified as an agreement may be extended to members when it is determined that enforcement of Section 500 – Conventional Billing would constitute an undue hardship in relation to the amount of the delinquent bill, and that extension of credit for a fixed time, or

arrangement for installment payment of the delinquent amount will not unduly impair the Cooperative's ability to collect the delinquent amount.

A. Extension of time to pay Agreements (current active accounts)

Applicable fees in this Section are listed in the Schedule of Fees.

If a member requests and qualifies for extension of time to pay, a payment arrangement will be placed on the account specifying the arrangement amount and due date. If the arrangement is broken, the member is subject to disconnection for non-payment.

B. Interest on Installment Payment Agreements

In the event of extenuating circumstances, where a member cannot make payment in full of a delinquent account, the member shall have the right to enter into an agreement with the Cooperative to make installment payments. An interest charge shall be applied to all installment payments. The minimum monthly payment shall be fifty dollars (\$50).

C. Credit may also be extended in the following situations:

1. When the member involved establishes to the satisfaction of the Cooperative that the member's failure to pay the bill has resulted from a mistake on the Cooperative's part or a mistake for which the member was not responsible.
2. When the involved bill is a final bill covering service to a farm, home, or other residential structure and the main building thereof has been destroyed by fire not caused by an act of arson on the part of the member or the member's immediate family.
3. When disconnection of service might impose immediate danger to the member or other persons due to illness or some hazardous condition, or when the household is immediately and directly affected by a death.
4. When the Cooperative, along with the member, is working with a local, state or government service agency to make payment arrangements.

506 RETURNED CHECKS AND FRAUDULENT CREDIT CARD PAYMENTS

Applicable fees in this Section are listed in the Schedule of Fees.

Any member whose check for payment of service is returned will immediately be notified and a returned check fee per the Schedule of Fees will be added to the member's account. The returned check fee will not exceed the maximum allowed by North Carolina law (GS 25-3-572). The returned check fee and account will be considered to be delinquent, and the delinquent billing handled in accordance with Section 502. If the member is not in good standing and payment is not made by the due date given in the notification the service will be disconnected. In any event, the cooperative is not waiving its right to disconnect service any time. If the Cooperative receives more than two (2) returned checks from a member in the preceding twelve (12) month period, the Cooperative may refuse to accept further checks from that member. Checks will not be accepted for payment due to a returned check.

Accounts may be disconnected without notice for returned payments which were used to pay security deposits, fees, payment agreements, reconnections and/or aid to construction. Accounts may also be disconnected without notice for checks written on bank accounts noted as closed, no account or invalid account. In order to be reconnected, the member must pay the total past due on the account and all applicable fees and charges.

Use of Fraudulent Credit Cards in making payments to the Cooperative will result in the account immediately being disconnected without prior notification. In addition, there will be a Credit Card Fraud fee placed on the account as specified in the Schedule of Fees and the use of credit cards for the account will be suspended for a period of (24) months.

507 BILL IN DISPUTE

Failure to receive a bill statement does not exempt a member from payment. A duplicate bill statement may be obtained from the Cooperative. Neither a dispute concerning the amount of a bill nor a claim or demand by the member against the Cooperative will alter the normal requirements for payment. See Complaint Procedure in Section 904 for resolution of disputed bills.

508 CONVERSION OF CONVENTIONAL TO FLEXPAY

Members may elect to convert a Conventional Billing account to FlexPay Billing at any time, not to exceed once per year.

Subject to the Cooperative's approval, members applying for FlexPay Billing have the option of transferring a previous balance (see section 610) from a Conventional Billing account to the FlexPay Billing account.

At the time of conversion, the existing deposit (if applicable) will be first applied towards any outstanding balance on the Conventional Billing account. Any resulting credit balance will be applied to the FlexPay Billing account.

When a FlexPay Billing account is initially activated, a minimum balance is required as specified in the Schedule of Fees.

600 – FLEXPAY BILLING

The Cooperative offers FlexPay Billing to residential and non-demand general service accounts as an alternative to Conventional Billing. FlexPay Billing is available upon member request for any active Single Phase General Service designated account in the Cooperative's service area where the automated metering system (AMI) is fully deployed; and where electric service is delivered through a standard 200-amp automated meter.

FlexPay Billing accounts do not receive a monthly billing statement. With FlexPay Billing, electric usage, charges, and credits are posted to the account daily. Each month, the daily account postings are reconciled to the appropriate rate and any difference is credited or debited to the account.

A minimum credit balance is required to activate a FlexPay Billing account. The Minimum Credit Balance to Connect is listed in the Schedule of Fees.

FlexPay Billing offers members a number of benefits which include:

- A. Unlike Conventional Billing accounts, the member is not required to establish credit.
- B. FlexPay Billing accounts are not subject to late fees, delinquency fees or reconnect charges pertaining to nonpayment.
- C. Security deposits are not required for FlexPay Billing accounts.

601 SERVICE SECURITY DEPOSITS

Security deposits are not required for FlexPay Billing accounts.

602 DUE DATES AND FAILURE TO PAY

FlexPay Billing accounts are required to maintain a credit balance at all times. If the account balance exceeds the Maximum Debit Balance, the account will be disconnected. The Maximum Debit Balance is listed in the Schedule of Fees.

Members are solely responsible for managing their FlexPay Billing account, which includes monitoring energy usage and maintaining a credit balance. Failure to maintain a credit balance may result in service disconnection at any time without notice. In the event an account is disconnected, a minimum credit balance as specified in the Schedule of Fees is required to reconnect the account. FlexPay Billing accounts are not eligible for time extensions or payment arrangements and minimum payment requirements are specified in the Schedule of Fees. FlexPay Billing account information may be accessed at any time online at www.lumberiver.com, via SmartHub, or by telephone at 844-827-4761.

603 BILLING ADJUSTMENTS

Adjustments to the account due to inaccurate metering equipment, errors in meter reading or billing will be made promptly. The Cooperative will issue a credit for errors when an adjustment is warranted. The member will be expected to pay any appropriate charges, if the error creates a debit. The billing adjustment will be based on an appropriate estimation of usage for a given period not to exceed six months.

A member may request in writing that a meter be tested. Applicable charges per the Schedule of Fees may apply.

604 OTHER REASONS FOR DISCONNECTION

When a field visit is required for the below actions, the applicable charges per the Schedule of Fees will apply.

- Service will be disconnected immediately and without notice for any of the following reasons:
 1. Discovery of apparent meter tampering (See Section 704).
 2. Diversion of electric current.
 3. Use of power for unlawful, unauthorized or fraudulent reasons.
 4. Discovery of an electrical condition determined by the Cooperative to be potentially dangerous and eminently hazardous to life or property of the Cooperative or the public.
- Service may be disconnected after notice has been given and reasonable time to comply has been allowed for any one of the following conditions:
 1. For violation of and/or non-compliance with any applicable state or other local laws, regulations and codes pertaining to electric service.
 2. For non-compliance with the Cooperative Bylaws or Service Rules and Regulations.
- Electric service disconnected for reasons described above will be reconnected when infractions are corrected. All applicable fees as described in the Service Rules and Regulations and Schedule of Fees will apply to the reconnection.

605 SEVERE WEATHER DISCONNECTION

Lumbee River EMC reserves the right to suspend disconnects for non-pay during severe weather for both conventional and FlexPay billing.

606 EXTENSION OF CREDIT

FlexPay Billing accounts are not eligible for time extensions or payment arrangements.

607 RETURNED CHECKS AND FRAUDULENT CREDIT CARD PAYMENTS

Any member whose payment for service is returned will be notified immediately by FlexPay Billing notification methods or by letter as notification of the returned item. Return reasons could include, but are not limited to, insufficient funds, stopped payment, invalid account information, or a credit card chargeback. A charge for the amount of the payment, as well as any applicable fees, will be added to the account. (See Appendix - Schedule of Fees) If this fee and subsequent reversal of the original payment amount to the FlexPay Billing account results in a positive balance, the account will be subject to disconnection. If the Cooperative receives any two returned items of the same payment method (checks, debit/credit cards) from a member in the preceding 12-month period, the Cooperative will refuse to accept that form of payment from that member.

608 BILL IN DISPUTE

Neither a dispute concerning the amount of a bill nor a claim or demand by the member against the Cooperative will alter the normal requirements for payment. See Complaint Procedure in Section 904 for resolution of disputed bills.

609 CONVERSION OF FLEXPAY TO CONVENTIONAL BILLING

Members may elect to convert a FlexPay Billing account to a Conventional Billing account at any time, not to exceed once per year. The Cooperative will require full payment of a security deposit or other account security, plus any past due amounts and associated fees.

610 DEBT RECOVERY

FlexPay Debt Recovery allows a member to move from Conventional Billing to FlexPay Billing with a balance owed. The Debt Recovery Maximum balance is defined in the Schedule of Fees. Each time a member makes a payment to a FlexPay account, a portion of the payment is credited against the debt and the remaining portion credited to the FlexPay account. This Debt Recovery Percentage is defined in the Schedule of Fees. Meter Tampering, power diversion, credit card fraud and return checks are excluded from FlexPay Debt Recovery. These fees must be paid prior to conversion.

700 - METERING

701 METERING FACILITIES

The Cooperative normally provides and installs the electric meter and requires the member to provide for an approved meter base and certain connection facilities to the meter base. Any meter installed at the request of the Member that would not have been installed as standard equipment will be considered an excess facility.

Members applying for more than one class of service on the same premises will arrange their wiring so that each class of service can be metered separately. Regardless of ownership of the facilities, the Cooperative will have the right, at its option, and at its own expense, to place demand meters, voltmeters, locking devices, or other instruments on the premises of the member for the purpose of monitoring and maintaining the member's service.

All meter bases shall be installed on a non-enclosed exterior wall accessible to Cooperative personnel as nearly as possible to eye level, and in no case more than six (6) feet above finished grade level.

702 METER READING

The Cooperative shall obtain readings for all meters monthly or on an interval as read by the automated meter reading system. The Cooperative at its discretion reserves the right to estimate the monthly usage in the event a reading cannot be obtained by the scheduled billing date.

703 METER TESTING

The Cooperative will test, upon request, the accuracy of a member's meter. The test may be performed by Cooperative technicians or if requested by an independent meter test company contracted by the Cooperative. The procedures are as follows:

- A. For each request, a meter test fee as listed in the Schedule of Fees shall be required from the member prior to testing.
- B. If the meter tested registers within two percent (2%) correct, the meter test fee will be retained by the Cooperative and no correction in billing shall be made.
- C. Where the meter does not register within two percent (2%) correct, the meter test fee will be refunded and the proper adjustment will be made in billing kWh usage per Section 503.

704 METER TAMPERING AND/OR DIVERSION OF POWER

- A. Meters used to measure the power and/or energy used by each consumer are and shall remain the property of the Cooperative. No consumer or any member of his family, agent or servant shall, without authorization, break the seal, reconnect it, or in any other manner tamper with the meter or the related service facilities.
- B. The consumer shall, however, immediately report to the Cooperative any violation of the above paragraph, specifically including but not limited to a broken seal on the meter, resetting of the meter, "jumper" or other devices used to bypass or affect the measuring of electricity.

- C.** Under the general statutes of North Carolina, Section 14-151.1, it is a misdemeanor for any person with fraudulent or misleading action to injure or defraud the Cooperative by tampering with or bypassing the meter.
- D.** When meter tampering or power diversion has occurred, the meter shall be removed immediately and if necessary tested. In addition, the service will be secured to prevent future theft by de-energizing the transformer or if necessary disconnecting the service. In the event the location is a rental, the landlord or owner may be responsible for paying the non-refundable meter tampering or diversion of power fee before services are connected. Before service can be restored, the following fees or charges shall be paid for the applicable infractions:
1. Non-refundable meter tampering fee
 2. Non-refundable diversion of power fee
 3. Disconnect and reconnect fee
 4. Meter test fee
 5. Cost to repair or replace meter, if damaged
 6. Billing of any un-metered kWh
 7. Any other charges necessary to clear infraction
- E.** If the Cooperative has undercharged any member as a result of meter tampering or bypassing the meter, or if it is evident that the member has knowledge of being undercharged without notifying the Cooperative, the Cooperative shall recover the deficient amount as follows:
1. If the time interval and usage and/or demand can be established, the Cooperative shall collect the deficient amount incurred during the period of undercharging.
 2. If the time interval and usage and/or demand cannot be determined, then the adjustment shall be based on an estimated usage and/or demand over a time period as defined in Section 503 per the estimated demand of the account.
 3. The charges will be added to the member's next bill statement and must be paid by the due date or the amount will be classified as delinquent and service will be disconnected until payment in full has been received.

800 - EASEMENTS, RIGHTS OF ACCESS AND COOPERATIVE PROPERTY

801 MEMBER TO GRANT EASEMENT TO COOPERATIVE IF REQUIRED

- A. Each member shall, upon being requested to do so by the Cooperative, execute and deliver to the Cooperative grants of easement of right-of-way over, on, and under such lands owned by the consumer and in accordance with such reasonable terms and conditions as the Cooperative shall require for the furnishing of service to member or other members or for the construction, operation, maintenance or relocation of the Cooperative's facilities. For new developments (residential subdivisions or apartments) the Cooperative request that a blanket easement be signed by the owner for the entire development area. The Cooperative requests that the Restrictive Covenant for the new development specify on behalf of the Cooperative that "this property was granted an easement for utility lines between the developer land owner and Lumbee River Electric Membership Corporation".
- B. A consumer requiring a line extension or relocation (Section 304) may be required to secure for the Cooperative all necessary and convenient grants of easements or rights-of-way and pay cost of securing the same.

802 RIGHT OF ACCESS

Cooperative employees or designated contractors shall have right of access to consumer's property at all reasonable times for the purpose of reading meters, testing, repairing, removing, maintaining or exchanging any or all equipment and facilities which are the property of the Cooperative. In any event where right of access cannot be granted to the Cooperative, consumer agrees that Cooperative service facilities may be moved to allow access to Cooperative.

803 RIGHT-OF-WAY MAINTENANCE

The member will grant to the Cooperative, and the Cooperative will maintain right-of-way according to its specifications with the right to cut, trim and control the growth of trees and shrubbery located within the right-of-way of overhead distribution, not secondary services or security lights, or that may interfere with or threaten to endanger the operation or maintenance of the Cooperative's line or system. When trimming right-of-way, the Cooperative will remove debris at its expense from "clean and maintained" areas; that is, an area which is regularly maintained free of logs and brush, but not the removal of stumps. In other areas, right-of-way debris will be left in the right-of-way limit.

Members who desire to have trees trimmed or cut which are close to Cooperative power lines and, in the opinion of the Cooperative, pose a possible hazard to the lines may request assistance from the Cooperative in cutting or trimming. The Cooperative will schedule such work at its convenience.

804 MEMBER'S RESPONSIBILITY FOR COOPERATIVE PROPERTY

- A. All equipment owned or installed by the Cooperative shall be, and remain, the property of the Cooperative. The consumer shall exercise proper care to protect the property of the Cooperative on their premises, and in the event of loss or damage to the Cooperative's property arising from consumer neglect, the cost of necessary repairs or replacement shall be paid by the consumer.

- B.** No person or organization shall install or attach any wire, sign or other material or equipment to any of the Cooperative's poles, conductor or other fixtures, except with the expressed written consent of the Cooperative or unless a Pole Attachment Agreement (Section 315) has been executed.

900 - MISCELLANEOUS

901 LOAD MANAGEMENT

All load management equipment shall remain the property of the Cooperative. At no time is the member or any person other than Cooperative personnel authorized to service, open or disturb load management equipment.

902 NOTICE OF ELECTRICAL TROUBLE

The member shall notify the Cooperative immediately should the electrical service be unsatisfactory for any reason, or should there be any defects, trouble, accidents or hazardous condition that may adversely affect the electrical service.

903 NOTICE OF SERVICE DISCONNECTION

Members shall give a minimum of one (1) day notice prior to disconnection, unless written contract specifies otherwise.

904 COMPLAINT PROCEDURE

A full and prompt investigation will be made of all service complaints. The recommended order for handling quality-of-service or rate complaints is as follows:

- A.** File a complaint at the local Cooperative office and allow reasonable time for investigation, advice, and action. If the results are not satisfactory, then;
- B.** File a complaint with the appropriate department manager, providing information and results from the initial complaint and/or naming local Cooperative personnel who handled the complaint. Allow reasonable time for the department manager to act. If the results are not satisfactory, then:
- C.** File a complaint with the Cooperative's President and Chief Executive Officer, providing information and results from the initial complaint and/or naming local Cooperative personnel who handled the complaint. Allow reasonable time for the President and Chief Executive Officer to act. If the results are still not satisfactory, then;
- D.** File a complaint with the North Carolina Rural Electrification Authority in Raleigh, North Carolina, 4321 Mail Service Center, Raleigh, North Carolina 27699, (919) 814-4696. Allow a reasonable time for the Authority to act, then;
- E.** If results are still not satisfactory, file a written complaint with the Cooperative Board of Directors. Allow reasonable time for the Board to schedule the item at a regular meeting. Allow reasonable time for the Board's orders on the matter to be carried out.

1000 - WITHDRAWAL OF MEMBER

1001 GENERAL CONDITIONS FOR MEMBER WITHDRAWAL

- A.** A member may voluntarily withdraw in good standing from membership upon compliance with the generally applicable conditions set forth as follows:

Payment of any and all amounts due the Cooperative and cessation of any non-compliance with his membership obligations, all as of the effective date of withdrawal; and either removal to other premises not furnished service by the Cooperative; or ceasing to use any central station electrical service whatever at any of the premises to which such service has been furnished by the Cooperative pursuant to his membership.

- B.** Upon such withdrawal, the member shall be entitled to a refund of the membership fee and of any service security deposit then held by the Cooperative, within a reasonable period of time.

Adopted: Minutes of November 1, 1985

Revised: April 2018

APPENDIX

DEFINITIONS

Applicant – A member or prospective member who has applied for service.

Area Coverage – The public policy of obligating the Cooperative to provide service, on a nondiscriminatory basis, to all persons and entities desiring electrical service within a service territory assigned to the Cooperative.

Standard Lighting – The basic security or street light employed by the Cooperative shall be a wood pole with light selection per Schedule D Electric Rate Schedule D.

Billing Period – The time period between two successive, scheduled meter readings.

Capital Credits – The amount of the Cooperative's net margins allocated to individual members and returned on a periodic basis as determined by the Board of Directors.

Cooperative – Lumbee River Electric Membership Corporation.

Decorative Lighting – Style of lighting employed by the Cooperative for aesthetic purposes which consist of a non-wood pole and light selection.

Delinquent Bill – A bill for which payment is not received in the office by the close of business on the due date.

Diversion of Power – Diversion of power or the unauthorized alteration or manipulation of the Cooperative's meter, wires, seals, or other apparatus in such a way as to prevent the meter from recording under seal the amount of electric service supplied to the member. (This is a misdemeanor under law and subject to penalty and affects the status of member in good standing.)

Electric Service – The Cooperative's legally imposed duty of supplying to an established point of delivery energy service in the form of an alternating current of frequency at nominal 60 cycles per second and of various nominal voltages.

Foreign Electricity – Any electricity used by the member that is obtained from a source other than the Cooperative. This includes, but is not limited to, power obtained from other power suppliers and customer-owned generators.

Member – Any person or legal entity who has applied for and been accepted into membership of the Cooperative for the purpose of receiving electric service.

Member in Good Standing – Any member who has fulfilled all obligations of the member for any and all accounts under the member's name and who, for the previous twenty-four (24) months has maintained a credit history rating of five (5) points or less and has fulfilled all obligations as provided for in the service agreement

Meter Tampering – Unauthorized entrance into the meter base and/or unauthorized energizing of the meter base.

NCEMC – North Carolina Electric Membership Corporation located in Raleigh, North Carolina is the primary wholesale supplier of electric service for Cooperatives in North Carolina. NCEMC is a cooperative owned by

the North Carolina Cooperatives in the same manner that the members receiving retail electric service from the Cooperatives own the Cooperatives.

Permanent – Building which has permanent foundations and permanent water and sewer facilities.

Point of Delivery – The point at which ownership of the electric service is transferred from the seller to the buyer. The point of delivery will be, unless otherwise specified, where the Cooperative's wiring system terminates in the delivery of electric service to the member's wiring system. On overhead services the point of delivery will be the weather head, and on underground services the point of delivery will be the line side of the meter base; however, the member may be required to provide and maintain certain facilities between the Cooperative's facilities and the meter.

Seasonal – Member, facilities or premises which are active, in use or inhabited on a part-time basis, or during only certain months of the year.

Service Agreement – The agreement between the Cooperative and member consisting of the following:

- Completed Membership Application
- Current Bylaws and Service Rules and Regulations
- All necessary right-of-way easements
- Underground Agreement and Load Management agreement (if applicable) and
- Current applicable Rate Schedules

Service Voltage – The voltage at the point where the electric systems of the supplier and the user are connected (Point of Delivery). The service voltage is usually measured at the service meter base or entrance switch and allowable variations are usually expressed on a 120-volt base system.

Standard Service Connection – Unless otherwise stated or agreed by the Cooperative, the standard service connection will be overhead facilities providing single phase, 60 cycles per second electric service at the Cooperative's standard supply voltage to the point of delivery.

**Lumbee River Electric Membership Corporation
Schedule of Fees**

Fee Description	Comments	Fee	Tax	Total Fee
Section 101: Application for Membership				
• Membership Fee		\$10.00	N/A	\$10.00
• Connection Fee New Account		\$22.00	7.00%	\$23.54
• Same Day Connection Fee New Account (Same Day Fee \$44.00 and Connection Fee \$22.00)	Request before 2:00 P.M. Mon-Fri: Meter Set Only	\$66.00	7.00%	\$70.62
• Same Day OT Connection Fee New Account (Same Day \$44, OT Fee \$44.00 and Connection Fee \$22)	Request between 2:00 P.M.- 5:00 P.M. Mon - Fri Meter Set Only	\$110.00	7.00%	\$117.70
• Security Deposit	See Section 502	-----	----	-----
Section 301 Underground Policy				
New Development with No Existing Overhead Primary Facilities (Subdivisions, Apartments, Commercial Development, Industrial Parks, Mobile Home Parks)				
Developers Aid-to-Construction Fees	See Section 301, Paragraph A1: Determined by Engineering	-----	----	-----
Single Phase Distribution Construction	See Section 301, Paragraph A1: Determined by Engineering	\$2.25 per ft plus equipment installation (\$300 Transformer and \$80 Pedestal)		
Three Phase Distribution Construction	See Section 301, Paragraph A1: Determined by Engineering	\$6.75 per ft plus equipment installation (\$300 Transformer and \$80 Pedestal)		
Underground Secondary Service (For owner or developer)				
Underground Secondary Service Fee: All Accounts	For Services not exceeding 150'	\$200.00	N/A	\$200.00
Where the Service Run exceeds 150' and meets voltage drop standards	See Section 301, Paragraph B Determined by Engineering	\$200.00 plus \$4.25 ft >150'	N/A	\$200.00 plus \$4.25 ft >150'
Where the Service Run exceeds 150' and exceeds voltage drop standards	See Section 301, Paragraph B Determined by Engineering	-----	----	-----
Conditions Hampering Secondary Underground Construction				
Trenching Obstacles exceeding 5% total length	See Section 301, Paragraph A	-----	----	-----
Driveway Crossing(UG-Bore Secondary)		\$300.00	N/A	\$300.00
Water Line Crossing		\$85.00	N/A	\$85.00
Sewer Line Crossing		\$85.00	N/A	\$85.00
Gas Line Crossing		\$85.00	N/A	\$85.00
Meter Base on Wrong End of Building	Determined by Engineering \$150 Min.	\$150 min.	N/A	\$150 min.
Conduit (price per foot)		\$1.10 per ft	N/A	\$1.10 per ft
Page 1 of 6				

Lumbee River Electric Membership Corporation
Schedule of Fees

Fee Description	Comments	Fee	Tax	Total Fee
• Underground Service to Properties (residential and mobile homes) with Existing Overhead Primary Facilities				
Underground Secondary Service Fee: All Accounts	For Services not exceeding 150'	\$200.00	N/A	\$200.00
Where the Service Run exceeds 150' and meets voltage drop standards	See Section 301, Paragraph B Determined by Engineering	\$200.00 plus \$4.25 ft >150'	N/A	\$200.00 plus \$4.25 ft >150'
Where the Service Run exceed 150' and exceeds voltage drop standards	See Section 301, Paragraph B Determined by Engineering	-----	----	-----
• Conversion of Service Drops (Overhead to Underground)				
Overhead aid-to-construction fee	Retirement of Overhead	\$85.00	N/A	\$85.00
Underground aid-to-construction fee				
Where the Service Run does not exceed 150'		\$200.00	N/A	\$200.00
Where the Service Run exceeds 150' and meets voltage drop standards		\$200.00 plus \$4.25 ft >150'	N/A	\$200.00 plus \$4.25 ft >150'
Where the Service Run exceeds 150' and exceeds voltage drop standards	See Section 301, Paragraph B Determined by Engineering	-----	----	-----
• Commercial and/or Industrial Facilities				
Monthly Demand exceeding 50kW	See Section 301, Paragraph E	-----	----	-----
Monthly Demand less than 50kW				
Underground Secondary Service Fee: All Accounts	For Services not exceeding 150'	\$200.00	N/A	\$200.00
Where the Service Run exceeds 150' and meets voltage drop standards		\$200.00 plus \$4.25 ft >150'	N/A	\$200.00 plus \$4.25 ft >150'
Where the Service Run exceeds 150' and exceeds voltage drop standards	See Section 301, Paragraph B Determined by Engineering	-----	----	-----
Section 302: Overhead Policy				
• Overhead Primary Along a State DOT Highway				
Single-Phase Primary along DOT Highway		\$0.00	N/A	\$0.00
Multi-Phase Primary along DOT Highway	See Section 302, Determined by Engineering	-----	----	-----
• Overhead Primary along routes not Maintained by State DOT				
Single or Multi-Phase Primary	See Section 302, Determined by Engineering	-----	----	-----
• Overhead Secondary Services				
Overhead Secondary from Overhead Primary	See Section 302, Determined by Engineering	\$0.00	N/A	\$0.00
Overhead Secondary with Owner Conveniences	See Section 302, Determined by Engineering	-----	----	-----
Page 2 of 6				

Lumbee River Electric Membership Corporation
Schedule of Fees

Fee Description	Comments	Fee	Tax	Total Fee
Section 303: Engineering Service Charge				
• Engineering Service Fee		\$45.00	N/A	
Section 304: Line and Facility Relocation				
• Conflict of Property, Owner Convenience, or State or Government Agencies	See Section 304, Min. \$45.00 Eng Srv Fee applied. Add'l fees determined by Eng.	-----	----	-----
Section 306: Temporary Service Poles				
• Temporary Service Poles fees		\$110.00	N/A	\$110.00
Section 307: Member Convenience Services				
• Raising or Lowering Electrical Lines (ex. House Moving)	Min. deposit \$250 then reconciled with actual cost	\$250 deposit	N/A	\$250 deposit
• TDR: Same Day Disconnect	Request before 2:00PM, Mon-Fri	\$44.00	7.00%	\$47.08
• TDR: Overtime Disconnect (OT \$44, Same Day \$44)	Request after 2:00PM, Mon-Fri, weekends or holidays	\$88.00	7.00%	\$94.16
• TDR: Same Day Connect (Same Day \$44 plus Connect \$22)	Request before 2:00PM, Mon-Fri:	\$66.00	7.00%	\$70.62
• TDR: Overtime Connect (OT \$44, Same Day \$44 and Connect \$22)	Request after 2:00PM, Mon-Fri, weekends or holidays	\$110.00	7.00%	\$117.70
• TDR: Next Day Disconnect	Must be Scheduled	\$0.00	N/A	\$0.00
• TDR: Next Day Connect	Must be Scheduled	\$22.00	7.00%	\$23.54
• Next Day Disconnect	Must be Scheduled	\$0.00	N/A	\$0.00
• Same Day Connect (Same Day \$44 plus Connect \$22)	Request before 2:00PM, Mon-Fri	\$66.00	7.00%	\$70.62
• Overtime Connect (OT \$44, Same Day \$44 and Connect \$22)	Request after 2:00PM, Mon-Fri, weekends or holidays: Meter Set Only	\$110.00	7.00%	\$117.70
• Next Day Connect (Connection fee only)	Must be Scheduled	\$22.00	7.00%	\$23.54
• Disconnect for House Fire, Storm Damage or Acts of God	Same Day, OT or Next Day Service: No Charge	\$0.00	N/A	\$0.00
• Same Day Connect for House Fire, Storm Damage or Acts of God (Same Day \$44 plus Connect \$22)	Request before 2:00PM, Mon-Fri	\$66.00	N/A	\$70.62
• Overtime Connect for House Fire, Storm Damage or Acts of God (OT \$44, Same Day \$44 and Connect \$22)	Request after 2:00PM, Mon-Fri, weekends or holidays	\$110.00	7.00%	\$117.70
• Next Day Connect for House Fire, Storm Damage or Acts of God	Must be Scheduled	\$0.00	N/A	\$0.00
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**Lumbee River Electric Membership Corporation
Schedule of Fees**

Fee Description	Comments	Fee	Tax	Total Fee
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Section 401: Installation of Outdoor Lights Served Overhead

The standard outdoor light shall be a wood pole with an Electric Rate Schedule D light selection. (wattage)

A monthly fee per light will apply per Electric Rate Schedule D outdoor light style selection. (Security, Flood, Parking)

• New Services				
Overhead Service < than 150'		\$0.00	N/A	\$0.00
Overhead Service > than 150' requiring extra pole(s)/wire		\$100.00 per extra pole, \$25.00 per total extra wire		
• Existing Services: Outdoor Light Only (Existing Pole)				
Outdoor Light Only, Existing Pole, No Wire		\$45.00	N/A	\$45.00
Outdoor Light Only, Existing Pole, < than 150' wire		\$85.00	N/A	\$85.00
Outdoor Light Only, Existing Pole, > than 150' wire		\$110.00	N/A	\$110.00
• Existing Services: Outdoor Light with New Pole				
Outdoor Light, New Pole and < than 150' wire		\$200.00	N/A	\$200.00
Outdoor Light, New Pole and > than 150' wire		\$225.00	N/A	\$225.00
Extra Pole Only		\$110.00	N/A	\$110.00
• Relocations				
Outdoor Light Relocation	See Section 401, Min. \$45.00 Eng Srv Fee applied. Add'l fees determined by Eng.	\$45.00	----	\$45.00

Section 402: Installation of Outdoor Lights Served Underground

The standard outdoor light shall be a wood pole with an Electric Rate Schedule D light selection. (wattage)

A monthly fee per light will apply per Electric Rate Schedule D outdoor light style selection. (Security, Flood, Parking)

• New Services: Outdoor Light with Pole				
Underground Service < than 150'		\$0.00	N/A	\$0.00
Underground Service > than 150'		\$4.25 ft for footage > 150'		
• Existing Services: Outdoor Light with Pole				
Outdoor Light, Pole and Min. wire		\$200.00	N/A	\$200.00
Outdoor Light, Pole and < than 150' wire		\$300.00	N/A	\$300.00
Outdoor Light, Pole and > than 150' wire		\$300 plus \$4.25 ft > 150'		
• Relocations				
Outdoor Light Relocation	See Section 402, Min. \$45.00 Eng Srv Fee applied. Add'l fees determined by Eng.	\$45.00	----	\$45.00
• Decorative Lighting (Pole and Fixture)				
Decorative Lighting (non-street light application) (\$200.00 pole, \$150.00 ug wire, \$150.00 fixture)		\$500.00	N/A	\$500.00

Lumbee River Electric Membership Corporation
Schedule of Fees

Fee Description	Comments	Fee	Tax	Total Fee
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Section 403: Installation of Street Lights Served Overhead or Underground

The standard street light shall be a wood pole.

• Fees for Lighting - See Electric Rate Schedule				
• Relocations				
Street Light Relocation	See Section 403, Min. \$45.00 Eng Srv Fee applied. Add'l fees determined by Eng.	\$45.00	----	\$45.00

Section 500: Conventional Billing

• <u>Service Fee for Delinquent account</u>	See Section 502		1.0% per month	
• Connection Fee for Non-Payment Acct.		\$44.00	7.00%	\$47.08
• <u>Returned Check Service Charge</u>	NTE Max. per GS 25-3-572	\$25.00	N/A	\$25.00
• <u>Credit Card Fees</u>		\$0.00	N/A	\$0.00
• <u>Return Credit Cards transactions</u>		\$25.00	N/A	\$25.00
• <u>Disable Payments online after two Invalid Transactions</u>				
• <u>Credit Card Fraud</u>		\$110.00	N/A	\$110.00

Section 501: Service Security Deposits

• Members without Credit Rating or Guarantor	See Section 501, Paragraph A	minimum \$300	N/A	minimum \$300
• <u>Military Members Waiver Program</u>	See Section 501, Paragraph D	minimum \$100	N/A	minimum \$100
Guarantor is limited to two(2) guarantee contracts at the same time. Security Light only accounts are not acceptable for use as a Guarantor.		standard security deposit = \$300 or the greater of two times the previous 12 months average usage		
• <u>Members with Approved Credit Rating</u>	See Section 501, Paragraph B	\$0.00	N/A	\$0.00
• <u>Members with Guarantor</u>	See Section 501, Paragraph C	\$0.00	N/A	\$0.00
• <u>Churches, Schools or Public Service Buildings</u>	See Section 501, Paragraph E	\$0.00	N/A	\$0.00
• <u>Commercial Accounts less than 50kW</u>	See Section 501, Paragraph F	-----	----	-----
• <u>Commercial or Industrial Accounts greater than 50kW</u>	See Section 501, Paragraph G	-----	----	-----
• <u>Additional Services</u>	See Section 501, Paragraph H	-----	----	-----
• <u>New Development (Residential Subdivisions, Apartments, Mobile Home Parks)</u>	See Section 501, Paragraph I	-----	----	-----

Lumbee River Electric Membership Corporation
Schedule of Fees

Fee Description	Comments	Fee	Tax	Total Fee
Section 600: FlexPay Billing				
• Minimum Credit Balance to Connect Service		(\$25.00)	N/A	(\$25.00)
• Debt Recovery Maximum	See Section 610	\$300.00	N/A	\$300.00
• Debt Recovery %	(40% Debt/ 60% Credit)	40/60	N/A	40/60
• Maximum Debit Balance	See Section 602	\$0.01	N/A	\$0.01
Section 700: Metering				
• Meter Test Fee - LREMC 2nd Meter Setup Test	Refundable: See Section 703	\$15.00	N/A	\$15.00
• Meter Test Fee - Test by Independent Test Company	Refundable: See Section 703	\$25.00	N/A	\$25.00
• High Bill Complaint (Customer problem)		\$0.00	N/A	\$0.00
• Meter Tampering Fee		\$250.00	N/A	\$250.00
• Power Diversion Fee		\$450.00	N/A	\$450.00
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