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## **POLICY BULLETIN NO. 100**

### **SUBJECT:**

Member Service Policy

### **OBJECTIVES:**

To provide a guide to LYREC members, employees, and trustees and assure that all members within the service area of LYREC will receive uniform and equitable service.

### **POLICY:**

This service policy constitutes LYREC'S rules and regulations for furnishing and receiving electric service. A copy of this service policy shall at all times be available to members of the cooperative.

This service policy may be revised, amended, supplemented, or otherwise changed at any time by action of LYREC Board of Trustees.

This service policy supersedes and replaces all previous rules and regulations or service policies, which are considered void.

In case of conflict between a provision of any rate schedule and this service policy, the provision of the rate schedule shall apply.

### **PROCEDURE:**

#### **A. Application for service/membership:**

Applicants for electric service will be required to sign a membership application form provided by the cooperative. Applicants will be asked to provide information relating to service requirements, the manner in which power will be utilized, and credit information. Large industrial and commercial applicants may be required to sign special applications that contain additional provisions or stipulations.

Each applicant will be required to pay a membership fee of \$10.00 on the first active service location.

Upon termination of the cooperative membership, the \$10.00 will be refunded in full, less any amounts due and owing to LYREC.

A husband and wife may have a joint membership in which they share equally in the rights and responsibilities of their membership, meaning they will be jointly and individually responsible for all debt associated with the account. They both must sign the membership application

Members who wish to have meters installed outside normal business hours must pay 100% of labor costs for the installation.

The cost of a meter base and/or meter loop for a new service will be borne exclusively by the member requesting service. LYREC, at its sole discretion, may provide the meter base and/or meter loop and include the cost in the estimated cost for new service.

LYREC may refuse service or continued service for any violation of its rules, regulations or policies.

#### B. Deposits:

LYREC will use Equifax to obtain credit ratings for new members. If the member has a 4-star rating, the security deposit will be waived. If a residential member has a 3-star rating, the member must pay a \$300 deposit per meter. If the member has a 2-star rating, the member must pay a \$400 deposit per meter. If a member has a 1-star rating, they must pay a \$500 deposit on each meter. All heat meters will be excluded when figuring the security deposit. If a member refuses to allow the Equifax credit check, the member shall pay a deposit of \$500 per meter.

LYREC in its sole discretion may waive a security deposit. To waive a security deposit, LYREC must have 4-star credit rating from Equifax or one of the following:

1. Be a current LYREC member who has an acceptable credit rating.
2. Have a current LYREC member, with an acceptable credit rating, guarantee payment in writing for a minimum of 24 months.

If a deposit is needed for a 50 KVA service or larger capacity, the deposit will be based on the size of the service. The credit history for a commercial business must be in the same commercial business name and will not be accepted based on credit history of any individuals, members, owners, operators, employees or stockholders.

Subject to a timely payment history for 24 months, deposits will be credited to the member account. On the 25th consecutive month of service, if the member has paid by the due date each month, the deposit will be credited to the member account. Upon disconnection of service, credit balance will be refunded to the member only after their final bill has been paid in full.

C. Billing:

The cooperative will present bills to members once a month. Bills are due and payable by the 20<sup>th</sup> of each month. If the bill is not paid in full by the following months bill date, a finance fee of \$1.00 or 1.5%, whichever is greater, will be added to the next bill.

- a. Facility charge and capacity charge: All meters, other than the heat meters, are charged a monthly facility charge. When a new meter is connected in the current billing period, the facility charge and/or capacity minimum will be prorated and billed from the connect date to the current month billing date. For each succeeding month, the facility charge and the capacity minimum is based on a thirty (30) day month and runs from billing date of the previous month to the billing date of the current month. The member is responsible for the facility charge and/or the minimum capacity charge, regardless of the month's usage.
- b. Usage charges: When a new meter is installed in the current month, the meter will be charged usage from the connect date to the reading date. The meter's usage for all succeeding months will be billed from approximately the 1<sup>st</sup> of the previous month to the 1<sup>st</sup> of the current month. The reading dates on each meter may vary.

D. Delinquent Accounts:

See Policy 101.

E. Insufficient Fund Checks:

If a payment for a member's account is returned for insufficient funds on more than one occasion within any 12-month period, LYREC in its sole discretion may no longer accept a check for payment from a member.. LYREC shall notify the member that a check has been returned for insufficient funds from the bank and that the member's account may be charged and the member shall be responsible for the return check fee.

F. Disconnection of Service:

A member who wishes electric service disconnected shall give the cooperative at least three business days' notice in advance of the effective date. LYREC may disconnect service for violation of any of its rules and regulations, failure to pay electric service charges when due, violation of rate schedules or contract provisions, dangerous or emergency conditions, or misuse, theft or illegal diversion of electric current. Disconnection of service for any of these causes does not release the member from the obligation to pay for the energy received or charges specified in any contract.

**Service will be disconnected WITHOUT NOTICE in these cases:**

- a. Dangerous or emergency conditions.

- b. Theft or illegal diversion of electric current.

**Service will be disconnected for the following reasons after a notice has been sent. The Notice will identify the reason for disconnection and provide a date by which the member must correct the problem:**

- a. Violation of, and/or non-compliance with any applicable Federal, State, or local laws, regulations and codes.
- b. Violation of any of the cooperative's rules and regulations.
- c. Failure to pay an account

#### G. Idle Service Reconnection Fee:

Whenever a member wishes to have an account that was last in his/her name reconnected, the following charges will apply.

The base rate and monthly capacity minimum for the period the account was disconnected (not to exceed 12 months) plus a meter installation fee of \$100.00.

#### H. Meter Tests:

LYREC will make tests and inspections of its meters to insure a high standard of accuracy. No meter that has an error in registration of more than two (2) percent under conditions of normal operations shall be allowed to remain in service.

A member may request that LYREC test their meter. If the meter is found to register within two (2) percent accuracy the member will pay a Meter Test Fee of \$ \$75.00 plus a service call fee to cover the cost of travel and changing out and testing the meter.

If the meter is found to register in excess of two (2) percent accuracy the cooperative will not charge a Meter Test Fee and may adjust the member's billing.

#### I. Non-Registering Meter:

If a meter fails to register for any period of time, for reasons beyond the control of the cooperative, the cooperative may estimate the charge for service and make adjustments to previous billings. Such estimates will be based on the best available data.

#### J. Meter Seals:

All meters will be sealed by LYREC. The breaking of meter seals by unauthorized persons is prohibited without first securing the consent of the cooperative. The cooperative will, at its convenience, reseal the meter.

K. Theft or Diversion of Electric Service:

All reports of cut or missing meter seals or other evidence of tampering shall be investigated by LYREC. Discovery of any tampering, disabling, theft or diversion of electric service will result in immediate disconnection of service. LYREC will establish a monetary value of the electric service obtained as a result. The amount will include but not necessarily be limited to the cost to investigate and disconnect, damages to cooperative property, value of the estimated energy obtained and all other costs incurred by the cooperative as a result of the situation. If service is to be reconnected, in addition to paying the above charges, the account will be subject to the normal credit and collection policies of LYREC. LYREC may seek criminal prosecution as well as damages in a civil court.

L. Rental Property Agreement:

Property owners who wish to have the electric service to their rental units remain connected after the unit has been vacated, must sign a Rental Property Agreement with the cooperative. The owner agrees to assume responsibility for the payment of all electricity and security light charges at the premises from the date of the tenant(s) disconnect order until a new tenant(s) requests service be connected in his/her name.