



Policy No: GEN-1
Title: General Rules and Regulations
Date Adopted: October 16, 2014

SUBJECT: GENERAL RULES AND REGULATIONS

I. GENERAL STATEMENT

San Miguel Power Association (SMPA) is a Cooperative corporation organized in the State of Colorado. The following General Rules and Regulations set forth the terms and conditions that govern the supplying and receiving of safe, reliable electric service for all classes of service in the territory served by SMPA. These Rules and Regulations are subject to termination, change or modification, in whole or in part, at any time as may be determined by SMPA's Board of Directors and in accordance with the laws of Colorado and the Bylaws of SMPA.

Amendments to these General Rules and Regulations shall be approved by action of SMPA's Board of Directors, following notice as set forth in this paragraph, and shall become effective thirty (30) days after the date of such approval. Consumers shall be notified, prior to any meeting of the Board of Directors at which action on any alteration or amendment of these General Rules and Regulations is to be taken, as to the contents of such proposed alteration or amendment. Such notice shall be sufficient if (i) published not less than thirty (30) days previous to the said meeting in a newspaper published in the counties where the public offices of SMPA are located and in other newspapers of general circulation within the certificated area, (ii) posted in every public office maintained by SMPA, and (iii) posted on SMPA's website at least thirty (30) days before such meeting. Copies of such proposed alteration or amendment shall be available at each public office and shall be mailed or electronically transmitted to any Consumer requesting such.

Service furnished by SMPA is also subject to the Articles of Incorporation and the Bylaws of SMPA, rules governing the Consumer's electric wiring and installations as may from time to time be adopted by the Board of Directors of SMPA, the National Electric Safety Code and County or City electric wiring ordinances.

Copies of SMPA Articles, Bylaws, Tariffs, General Rules and Regulations and Line Extension Policy are available for inspection at the public offices of SMPA and on the SMPA website.

Any waiver at any time of SMPA's rights or privileges under these Rules and Regulations will not be deemed a waiver as to any breach or other matter subsequently occurring. The failure of SMPA to enforce any of the terms of these Rules and Regulations, or all other Rules and Regulations, shall not be deemed as a continuing waiver of the right to do so or as a waiver of any other right.

Whenever these Rules and Regulations provide that notice be given or sent to SMPA, such notice shall be delivered to any public office of SMPA.

The term "Consumers" shall mean any person, group of persons, partnership, firm, corporation, limited liability company, institution, association, entity, agency of the Federal, State or Local Government, their agents, lessees, trustees or receivers appointed by any court, contracting for or receiving any classification of service from SMPA. The term Consumers shall also include the definition of Patrons set forth in the Bylaws.

II. ESTABLISHMENT OF SERVICE

A. Application for Service

1. An application for electric service for each installed meter may be given at any public office of SMPA. SMPA may require any applicant to sign an Application for Electric Service which shall constitute a service contract between the applicant and SMPA before service is supplied; however, in the event that such application is not signed, the use of electric service constitutes a service contract under which the user receives electric service and agrees to pay SMPA therefore in accordance with these Rules and Regulations.
2. If an application for electric service requires new line construction, the service will be provided in accordance with SMPA's Line Extension Policy.
3. Each applicant for service may become a member of SMPA under conditions prescribed by the Bylaws of SMPA.

B. Deposits and Interest

1. SMPA will require a deposit on each electric account at the time of the connect unless the Consumer can meet one of the following requirements:
 - a. The Consumer has been a previous Consumer of SMPA with a good payment record during the past twelve (12) months, having had no recent or substantial delinquencies.
 - b. The Consumer has a letter of referral from the most recent electric utility company stating the Consumer had a good payment record.
 - c. The Consumer has a letter of credit from a commercial bank that guarantees payment for one year.
2. For all applicants for service (except those locations classified as an indeterminate or large services in 6. below) that are required to pay a deposit, the deposit shall be calculated as follows:
 - a. For service locations with an existing usage history- two months average bills.

- b. For new single phase residential locations with no previous usage history- an amount equal to one dollar (\$1.00) per ampere of service size.
 - c. For new three phase residential locations with no previous usage history- an amount equal to three dollars (\$3.00) per ampere of service size.
 - d. For new single phase commercial locations with no previous usage history- an amount equal to two dollars (\$2.00) per ampere of service size.
 - e. For new three phase commercial locations - an amount equal to an estimated two (2) months usage.
3. In addition, all previous obligations to SMPA must be paid in full prior to the connection.
4. Deposits on all accounts may be reviewed and adjusted based on actual usage at the discretion of SMPA.
5. If the Consumer loses its good credit rating with SMPA and does not currently have a deposit on record with SMPA, the Consumer may be required to make a deposit as calculated in 2 above.
6. Deposits for any service classified as an indeterminate service (such as but not limited to, any mine or similar activity), or large that exceed \$25,000 per month will be calculated on a case by case basis. Deposits collected for services classified as an indeterminate, or large services will not be refunded to the Consumer until electric service is terminated and all amounts due to SMPA have been paid in full.
7. Simple interest shall be paid by SMPA to each Consumer who is required to make a deposit. Interest shall be calculated from the date the deposit is received by SMPA to the date of refund to the Consumer, or to the date an amount equal to the deposit is credited to the Consumer's account. The interest rate shall be the interest rate for Consumer deposits as published on the Colorado PUC website.
8. SMPA shall keep records of deposits to show:
 - a. The name and address of each Consumer making a deposit.
 - b. The amount and date of the deposit.
 - c. A record of each transaction, such as the payment of interest, interest credited, etc. concerning such deposit.
 - d. The premises occupied by the Consumer when making the deposit and each successive premises occupied while the deposit is retained.

9. The payment of a deposit shall not relieve any Consumer from payment of bills as they become due, and deposits may be applied to any indebtedness of the Consumer after service is terminated.
10. A receipt shall be issued to each Consumer from whom a deposit is received when requested.
11. Other than for services classified as indeterminate or large services, deposits will be refunded upon written request after completion of a twelve (12)-month period during which the Consumer has no delinquencies or late payments and no other amounts due to SMPA.

C. Connects

1. For each meter connection, SMPA will charge each Consumer a connect fee.
2. The connect fee will be:
 - a. Twenty-five dollars (\$25.00) during SMPA's normal working hours.
 - b. Seventy-five dollars (\$75.00) if requested to be installed outside of SMPA's normal working hours.
 - c. At least three (3) SMPA normal working days' notice will be required for connect, disconnect, or readout. Consumer requests on shorter notice will be fulfilled at SMPA's discretion.

D. Discontinuance of Service at Consumer's Request

A Consumer wishing to discontinue service should give at least three (3) SMPA normal working days' notice to SMPA, unless otherwise specified in the rate or contract applicable, in order to allow time for final meter reading and disconnection of service. If such notice is not received by SMPA, the Consumer will be liable for service until final reading of the meter. Notice to discontinue service will not relieve the Consumer from any minimum or guaranteed payment under any contract or applicable rate.

III. BILLING AND COLLECTIONS

A. Billing

1. The Consumer's meter shall be read to maintain a billing period of twenty-eight (28) to thirty-two (32) days.
2. Bills for service will be rendered monthly unless otherwise specified in these Rules and Regulations or in the applicable rate schedule. The term month, for billing purposes, means the period between any two consecutive regular readings by SMPA of the meter(s) at the Consumer's premises. If SMPA is unable to read a

meter after reasonable effort, the Consumer will be billed on an estimated usage based on the best available information.

3. The bill is computed by applying the applicable price from the rate schedule under which the Consumer takes service against the consumption from the meter reading. A bill may also contain other charges relating to items set forth in these Rules and Regulations.
4. SMPA will exercise all reasonable means to assure accurate computation of all bills for electric service. In the event errors in billing occur, SMPA shall refund to, or credit, the account of the Consumer the amount of any overcharge having occurred there from and likewise shall have the right to collect from the Consumer the amount of any undercharge, irrespective of the date or duration of such billing error.
5. Upon request, SMPA may provide multiple copies of bills, notarized bills and special billing information. In such case, however, the Consumer may be required to pay SMPA's cost at providing the information.
6. All bills rendered to Consumers for metered service furnished shall show:
 - a. Net amount due.
 - b. Service address and account number.
 - c. Dates and meter readings for the period during which service was rendered.
 - d. A distinct marking to identify an estimated bill.
 - e. An appropriate rate or rate code identification.
 - f. Last date payable after which the bill becomes past due, and
 - g. All other essential facts upon which the bill is based, including factors and/or constants where practical as in "(1.)" above.
7. Any Consumer shall be permitted to make installment payments if a bill includes amounts from past billing periods arising solely from events under control of SMPA such as meter malfunctions, billing errors, SMPA meter reading errors or failure of SMPA to read the meter, which failure shall not apply where the meter is not readily accessible to SMPA. Any installment payments under the provisions of this rule may extend over a period equal in length to the period during which the errors were accumulated and shall bear no interest.

B. Special Taxes and Franchise Fees

SMPA reserves the right to pass on to the Consumer a proportionate share of any additional taxes or franchise fees which may be assessed against SMPA by any governmental authority on the basis of meters, Consumers, or the price, or revenue from the sale of electric energy or the service sold.

A. Disputed Bills

If a Consumer gives notice at any public office of SMPA prior to the time that payment is due that the correctness of the bill is disputed, stating reasons therefore, SMPA will investigate the complaint. However, such notice disputing the correctness of a bill shall not be sufficient reason for withholding payment. If the bill is found to be incorrect, SMPA will refund the amount of overpayment or credit the amount of overpayment to the next bill rendered.

B. Failure to Receive Bill

It shall be the Consumer's responsibility to notify SMPA if it does not receive a bill for service. Failure to receive a bill in no way exempts the Consumer from payment for services rendered.

C. Terms of Payment

1. All amounts shown on a bill are due and payable at a public office of SMPA, or to an authorized agent of SMPA, not later than the date shown on the bill. Unless otherwise specified under these Rules and Regulations or the applicable rate schedule, the due date of the bill shall be approximately twenty (21) days following the billing date. Although bills are normally due monthly or as specified in the applicable rate tariff, SMPA reserves the right to require payment of bills for service at more or less frequent intervals. In such event, meters will be read and bills rendered at the intervals specified by SMPA. Special bills, weekly bills, and bills for reconnection are due on presentation.
2. When payment is made after the due date, of less than the amount due is paid, a late payment charge is added. The late payment charge will be the higher of ten dollars (\$10.00) or 1.5% per month of the past-due amount.
3. Bills shall become "delinquent" if not paid by the due date. Electric service may be discontinued after a bill becomes delinquent, in accordance with G below or Rule IV.

D. Payment Methods

SMPA accepts personal checks, business checks, credit cards, bank drafts, online bill pay, auto-pay and cash payments.

E. Delinquent Notifications

A delinquent notice will be mailed approximately two (2) weeks after the due date for any unpaid electric bills. The notice will be mailed by first class U.S. Mail postage paid, to the billing address on the delinquent account. The notice will provide a date (approximately two (2) weeks from the date of the notice) whereby the delinquent amount must be received by SMPA in order to avoid disconnection of service. This notice will be the only written notice sent to the Consumer.

F. Disconnect and Reconnect Fees for Non-payment

1. If an account is disconnected for non-payment, or an SMPA employee makes a trip to the Consumer's location for the purpose of disconnecting service for non-payment, the Consumer will be charged a disconnect fee of one hundred dollars (\$100). If the service is disconnected with remote disconnect equipment the fee will be fifty dollars (\$50.00). SMPA will have the option to leave the power on or reconnect the service only after the full delinquent due amount, plus the disconnect and or reconnect charge, is received. At SMPA's discretion, any account disconnected for non-payment may also be required to pay a deposit calculated in accordance with II.B.2.above before being reconnected.
2. To be reconnected outside regular business hours, the Consumer must first pay the full past due amount, any applicable deposit, disconnect fee, plus a seventy-five dollar (\$75.00) reconnect charge.

G. Payment Arrangements

1. Except for indeterminate or large services defined in Rule "(II.B.6.)" above, payment arrangements can be entered into by any Consumer who receives a notice that its bill is past due and its electric service may be disconnected except as indicated in "(4.)" below. Payment arrangements must be entered into BEFORE the account is disconnected for non-payment except for services defined in Rule "(II.B.6.)" above.
2. Payment arrangements allow the Consumer to pay the total amount due in equal monthly installments over a period of time selected by the Consumer, up to four (4) months. The Consumer must pay at least one fourth (1/4) of the total amount due (not just the past due amount) at the time of entering into the arrangement with the remainder due in equal installments each month for up to three (3) months. Installment payment due dates will generally correspond to the due dates for that Consumer's regular electric bills.
3. Payment arrangements also require that for the term of the arrangement, all bills be paid when due. Any violation of the payment arrangement may result in immediate termination of electric service without further notice. Payments must be received by SMPA by the due date to be considered on time. If service is discontinued for broken arrangements, SMPA may decline to restore service until all past due amounts have been paid, together with such fees as may be provided for in SMPA's rules and/or tariffs.
4. If the Consumer violates a payment arrangement, it will not be allowed to enter into another payment arrangement for one year from the date the previous payment arrangement was violated.

H. Credit Ratings

If the Consumer loses its good credit rating (as defined in SMPA's work procedure) with SMPA and does not currently have a deposit on record with SMPA, it may be required to make a deposit calculated in accordance with II.B.2.above.

I. Budget Billing

1. Consumers served under Residential Service may elect to pay monthly bills for service on a Budget Billing Plan subject to the terms and conditions set forth herein.
2. Any Consumer electing the Budget Billing Plan shall pay a monthly amount approximately one-twelfth (1/12) of the total of its most recent twelve (12) months' bills, adjusted to reflect any rate increases which may have become effective during said twelve (12)-month period. Said monthly payment shall be made for the following eleven (11) successive months with the final or twelfth (12th) month's payment being a settlement amount equal to the difference between the total payments made during the prior eleven (11) months and the actual billings for the twelve (12)-month period. If the settlement amount is a credit balance, the credit will be applied to future billings. If requested by the Consumer, SMPA may issue a check to the Consumer for the credit balance. If the settlement amount is a balance owed by the Consumer, the total balance will be due and payable on the due date indicated on the bill for the settlement month.
3. To be eligible to participate in the Budget Billing Plan, a Consumer shall have met the following requirements:
 - a. The Consumer shall be a residential user and sign up for auto-pay.
 - b. The Consumer shall have a good paying record for the previous twelve (12) months, unless SMPA determines that budget billing could help improve the payment history.
 - c. The Consumer's account must be current with a zero account balance. The Consumer shall execute a standard form "Budget Billing Application" at least fifteen (15) days prior to the beginning of the first Budget Billing Plan month.
4. Normal collection procedures shall be applicable if a Consumer fails to pay the budget billing amount in any month when due. If the Consumer fails to pay the budget billing amount following notice by SMPA in accordance with these Rules and Regulations, the Consumer shall be removed from the Budget Billing Plan as well as auto-pay and service may be disconnected.
5. If service is terminated for any reason to a Consumer on the Budget Billing Plan, the Consumer shall be removed from the plan; and the entire outstanding amount of the account shall be due and payable with the final bill.
6. The monthly budget billing amount may be adjusted, at the option of SMPA, for any increase in SMPA's rates. The monthly budget billing amount may also be adjusted at the option of SMPA if the Consumer's use of electricity increases substantially.

7. The Consumer may elect to terminate the Budget Billing Plan at any time by notifying SMPA in writing and by paying in full the entire outstanding amount of the account.
8. If a Consumer is removed from the Budget Billing Plan for non-payment, the Consumer will only be allowed to participate in the plan again after having established satisfactory credit with SMPA by having paid twelve (12) consecutive monthly bills by the due date indicated thereon.

J. Name Changes

There will be no charge to drop or add a name to an existing account unless the requested change requires creation of a new account. In such cases the new account will be charged a fee of \$25.

IV. REFUSAL OR DISCONNECTION OF SERVICE

SMPA may disconnect electric service or refuse electric service to a Consumer as provided in this section.

- A. Where efficiencies or other benefits can be realized, SMPA may utilize remote disconnect/reconnect equipment to provide this function from any SMPA office or other locations. Specific remote disconnect/reconnect procedures will remain subject to and consistent with these Rules and Regulations. Staff will develop and follow a procedure to define how the process will work and address risk.
- B. Service may be disconnected under the following conditions:
 1. For nonpayment of any delinquent bill, tariff charge, deposit, or charge that relates to SMPA services. Such charges must have appeared on a regular monthly bill. The due date must be specifically indicated on the bill and the due date shall be no earlier than 10 days subsequent to the mailing or delivery of the bill.
 2. If a Consumer has an outstanding balance on a disconnected electric account that balance may be transferred to its current active account. Any transferred balance will be treated as a current balance on the account to which it is transferred in the month of the transfer. If the transferred balance becomes delinquent on the new account it will be subject to disconnect under SMPA's normal disconnect procedures.
 3. If a Consumer is delinquent on an account that is not in its name but where it obtained service through subterfuge that account balance may be transferred to its active account. The transferred amount will be treated as indicated in "(2.)" above.
 4. If SMPA believes service is being obtained by a delinquent Consumer by subterfuge in any manner it may decline to continue to furnish service at that location. Subterfuge includes, but is not restricted to, an application for service at any given

location in the name of another party where a delinquent Consumer also plans to reside or do business at the same premises.

5. If a Consumer is in violation of any SMPA policy or SMPA Rules and Regulations.
 6. If a Consumer meets any of the conditions specified in “(1. – 5.)” above, the account may be disconnected after SMPA has either (i) provided notice as set forth in “(III.G.)” above or (ii) made a reasonable effort to notify the Consumer of the proposed disconnect either in person, by mailed notice, or by telephone. “Reasonable effort” shall be, at a minimum:
 - a. SMPA will include all past due amounts on each monthly billing along with a date the past due amount must be paid by in order to avoid service discontinuance; or
 - b. SMPA will mail a delinquent notice to the billing address for each past due account. This notice will state the past due amount, the account number, and the due date that the past due amount must be paid by to avoid discontinuance of service. This notice will be mailed by first class mail at least 10 days prior to the due date on the delinquent notice.
 - c. SMPA will attempt to notify each past due account by phone at least one day before the due date on the delinquent notice. This phone call will only be attempted for those Consumers who have supplied SMPA with a valid phone number. This phone notification is considered a courtesy notification and has no impact on the disconnect process. Accounts that remain delinquent after the date on the delinquent notice will be subject to immediate disconnect regardless of whether or not the Consumer received a phone notification.
 - d. In the case of a rule violation SMPA will deliver notice to the Consumer, outline the violation and define what is expected to be done and give the appropriate time to correct.
- C. SMPA will not be required to notify the Consumer prior to disconnecting electric service under the following conditions:
1. When, in the opinion of SMPA, an immediate discontinuance of service to the premises is for reasons of safety. Such reasons might include a condition or installation of any part of the Consumer’s or SMPA’s lines, pipes, apparatus or appliances which is found to be dangerous to life, health or safety of any person.
 2. When discontinuance is ordered by any properly constituted governmental authority due to alleged violations by the Consumer of the ordinance, statutes or regulations applicable to the service. SMPA shall not be responsible for ascertaining or verifying such conditions.

3. In the event the Consumers use of equipment adversely affects SMPA's equipment or SMPA's service to others.
 4. In the event of tampering with the equipment furnished and owned by SMPA. A broken or absent meter seal alone shall not constitute tampering.
 5. When service, having been disconnected in accordance with these Rules and Regulations, is discovered restored by someone other than SMPA and the original cause for the discontinuance has not been cured.
- D. A proposed disconnection of electric service may be avoided under the following conditions:
1. In the event a Consumer, at any time, proffers full payment of the amount shown on the notice (including any applicable reconnect fees) by cash or bona fide check (unless SMPA's discontinuance notice provides that payment is to be paid only by cash or certified funds) to an SMPA employee authorized to receive payments. Any employee dispatched to discontinue service must be authorized to receive payment.
 2. The Consumer pays at least one fourth of the total amount due on its account and enters into a payment arrangement as set forth in "(III.I.)" above. Installment payments will only be allowed on bad debts at the discretion of SMPA management.
 3. If a residential Consumer presents a valid "Certification of Medical Emergency", as provided in "(G.)" below.
- E. Service must be restored within a reasonable time after the Consumer has satisfied any one of the provisions set forth in "(F.)" below, unless extenuating circumstances prevent restoral. If it is required by SMPA's safety standards that the Consumer or someone designated by the Consumer be at the premises at the time of restoral, then the unavailability of the Consumer (or designee) shall be an extenuating circumstance.
- F. Service must be restored after the Consumer:
1. Pays the full past due amount, plus any deposit and or fees as may be specifically required by SMPA in the event of discontinuance of service.
 2. Presents a valid "Certification of Medical Emergency", as provided in "(G.)" below.
 3. Notifies SMPA, and SMPA confirms, that the cause for discontinuance, if other than nonpayment, has been cured.
- G. Medical Certificate
1. If the Consumer has a bona fide medical condition or when disconnection of electric service would create a medical emergency, the Consumer can submit a signed "Certification of Medical Emergency" form to avoid termination of service. If service is already disconnected, power will be restored if the Certification of Medical

Emergency form is presented to SMPA. The appropriate reconnect fee will be billed to the Consumer.

2. To be valid, this form, supplied by SMPA, must be signed by a physician licensed in the State of Colorado and it must be submitted to a public office of SMPA by mail, fax or email. This form allows the Consumer to defer the paying of a past due bill for up to 60 days from the date the form is received by SMPA. At the end of the 60 day deferral period all past due amounts must be paid in full or a payment arrangement must be entered into, otherwise the account will be subject to immediate disconnection for non-pay.
3. Use of a "Certification of Medical Emergency" form by a Consumer more than one time in any 12 consecutive months will be allowed only at the discretion of SMPA.

H. Refusal to Serve a Consumer

1. SMPA shall refuse to serve a Consumer or prospective Consumer until it has complied with SMPA's General Rules and Regulations and such other reasonable rules and regulations as may be approved from time to time by SMPA's Board of Directors.
2. SMPA shall refuse to serve an applicant who has a bad debt to SMPA for service previously rendered at the same or other locations until such indebtedness is paid in full. At management's discretion, SMPA may allow the Consumer to make installment payments on the bad debt.
3. SMPA shall refuse to serve a delinquent Consumer who has obtained service by subterfuge in any manner.
4. A Consumer shall not extend its electrical facilities beyond its premises for service to another Consumer's premises. SMPA may give notice to disconnect any Consumer in violation of this Rule and refuse to serve that Consumer until the rule violation is cured.

I. Diversion of Electric Energy

1. The existence of electric energy consuming devices installed ahead of the meter or any tampering or interfering with wires, devices or equipment connected to SMPA's system, or the damage to, alteration or obstruction of any meter including the breaking of meter seals, without prior approval and knowledge of SMPA, which will permit or make possible the use of electric energy without its proper registration on SMPA's meter shall constitute prima-facie evidence of diversion of electric energy by the Consumer in whose name service is being rendered, and by the person benefiting from the use of such diverted energy. If an SMPA check meter registers more electric energy in the same interval of time than the meter installed at the Consumer's premises and the Consumer's meter after being tested is found to be registering within the limits of accuracy prescribed herein, such facts shall also

constitute prima-facie evidence of diversion of electric energy. In such instances, SMPA shall, in any reasonable manner, compute the amount of diverted electric energy. Such computation will be made for the period beginning with the date on which the Consumer began using electric energy in the location where the diversion occurred, unless evidence proves that the diversion commenced at a later date, and ending with the date on which the diversion ceased. SMPA will bill the Consumer for electric energy diverted, based upon the calculation previously described, plus the cost of investigating and confirming such diversion and disconnecting service. Such bill shall be due and payable upon presentation.

2. If service is disconnected for diversion of electric energy; SMPA shall not render service to that Consumer or to any other person for that Consumer's use at the same or any other location until:
 - a. The Consumer has paid all bills set forth in this Rule, and,
 - b. The Consumer has paid to SMPA the installment cost of, or has had installed, at Consumer's expense, such entrance and service equipment as is necessary to prevent further diversion of electric energy.
3. The foregoing rules pertaining to diversion of electric energy are not in any way intended to affect or modify any action or prosecution under the criminal statutes of the State of Colorado or SMPA's rights to recover losses under the civil law of the State of Colorado.
4. SMPA will report all cases of energy diversion and theft to appropriate law enforcement.

J. Foreign Electricity

1. SMPA's rates are based upon exclusive use of its electric service by the Consumer. No other source of electric energy shall be conducted to any installation attached to SMPA's electric distribution systems, except by law, contract with SMPA, or per an approved SMPA policy.
2. Standby generators for emergency use shall not be considered a foreign source of power.

V. CONSUMER COMPLAINTS

A. Informal Complaint Process

Consumers may file an informal complaint regarding these Rules and Regulations or their application, or any Policy of SMPA or its application, by contacting any public office of SMPA. All Consumer complaints must first be lodged as an informal complaint prior to filing a formal complaint. Informal complaints may be oral or in writing, shall state the name of the Consumer, shall state in general terms the Rule, Regulation or Policy that is the subject of the complaint, and the relief requested. No anonymous informal

complaint shall be considered. SMPA will make a complete investigation of all informal complaints as deemed appropriate by SMPA. Failure by SMPA to respond to an informal complaint within thirty days of receipt shall be deemed a denial of the relief requested.

B. Formal Complaint Process

In the event a Consumer is not satisfied with the resolution of such Consumer's informal complaint, that Consumer, or its designated representative, may file a formal complaint as follows. A formal complaint shall be in writing, shall be addressed to the General Manager of SMPA, shall state the name of the Consumer, shall state the specific Rule, Regulation or Policy that is the subject of the complaint, and the specific relief requested. SMPA shall have ten business days from receipt to ask the Consumer for clarification of the formal complaint, otherwise the formal complaint shall be deemed to be in a form sufficient for investigation. SMPA shall make an appropriate investigation of the formal complaint, and the General Manager (and his or her representatives or agents) shall meet with the Consumer (and its, his or her representatives or agents) within twenty days of receipt unless other arrangements satisfactory to the Consumer and the General Manager are made. In the event the General Manager and the Consumer are unable to reach resolution of the formal complaint at such meeting, that Consumer may bring the formal complaint to the Board of Directors of SMPA as follows. At least twenty days before the next scheduled regular meeting of the Board of Directors, the Consumer may ask that the formal complaint be placed on the agenda, and the General Manager shall submit the formal complaint, along with supporting documentation from the Consumer and any other information deemed appropriate, to the Board of Directors along with their board packet. Any information that is confidential or proprietary in nature may be submitted to the General Counsel for SMPA for presentation to the Board of Directors in executive session. Following presentation by the Consumer and the General Manager, the Board of Directors shall consider the formal complaint at such meeting, and may either (i) take such action as it deems appropriate, (ii) request additional information or investigation, in which case the formal complaint will be considered again at the next regularly scheduled meeting, or (iii) delay action if advised by the General Counsel that action requires additional notice under these Rules and Regulations, Policy, Articles of Incorporation or Bylaws. Failure by the Board of Directors to take action regarding a formal complaint shall be deemed a denial of the relief requested.

VI. METERING

A. Accuracy

SMPA will exercise reasonable means to ensure the accuracy of all meters and associated devices in use. If an inaccuracy is found, such meters will be adjusted to register within the following limits, or removed from service:

1. All watt-hour meters shall operate within plus or minus 2% at full and light loads. All demand meters shall be accurate to within 2%.
2. SMPA may sample test new meters to ascertain if they meet the required accuracy limits.

B. Meter Testing Schedule

All meters installed on the SMPA system will be subject to random sampling under the Electric Meter Testing Program. All such meters are single – or poly – phase electronic meters with advanced metering infrastructure (AMI) technology. AMI technology is capable of two-way communications and provides interval data, daily and cycle reads, and meter health alerts.

The random sampling program conforms to the guidelines provided by the American National Standard for Electric Meters (ANSI C12.1-2001) and American National Standard Sampling Procedures and Tables for Inspection by Variables (ANSI/ASQ Z1.9-2003).

C. Records of Tests and of Meters

1. Complete records shall be maintained on each watt-hour meter owned or used by SMPA. Such records shall show the date of purchase, manufacturer's serial number, record of present location, and date and results of the last test performed by SMPA. This record shall be maintained for the life of the meter.
2. Whenever a meter is tested, either on request or upon complaint, the test record shall include the information necessary for identifying the meter, the reason for making the test, the reading of the meter if removed from service and the result of the test, together with all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the methods employed and the calculations made. Such records shall be retained for a period of not less than two (2) years.

D. Requests for Meter Tests

The Consumer shall be able to request a meter test outside the test schedule defined above. The Consumer will be charged a fee of twenty-five dollars (\$25.00) at the time of the request. If the meter tests outside the limits defined above SMPA will refund the fee and will repair or replace the meter at no charge to the Consumer. However if the meter tests within the limits defined above SMPA will retain the fee. The Consumer shall have the right to witness the meter test if it requests.

E. Advanced Metering Infrastructure (AMI) Opt Out Program

1. In response to member concerns SMPA will offer the option to not have an AMI meter installed at the Consumer's premises.
2. To recognize the additional costs for continuing to manually read the meter, SMPA will charge the opt out Consumer twenty-five dollars (\$25.00) per month.

F. Adjustment of Bills for Meter Errors

1. Billing adjustments will only be made for active accounts to the then-current account holder and only for that account holder's usage.
2. When a meter is found to have a positive average error (that is, fast in excess of two percent (2%) in tests made by SMPA), SMPA shall refund any amount in excess of the 2% accuracy limit. If it can be determined when the inaccuracy developed, the refund will be for the time since that point. If it cannot be determined, the refund will be for a maximum of six (6) months.
3. When a meter is found to have a negative average error (that is, slow in excess of two percent (2%) in tests made), SMPA may recover any amount in excess of the 2% accuracy limit. If it can be determined when the inaccuracy developed, the charge will be for the time since that point. If it cannot be determined, the charge will be for a maximum of six (6) months.
4. If a meter is found to have an incorrect register ratio or multiplier, the error shall be corrected. Where the error is adverse to the Consumer, SMPA shall refund to the current account holder an amount equal to the excess charged for the kilowatt-hours incorrectly metered. Where the error is adverse to SMPA, SMPA may make a charge to the current account holder for the kilowatt-hours incorrectly metered. If it can be determined when the inaccuracy developed, the refund/charge will be for the time since that point. If it cannot be determined, the refund will be for a maximum of six (6) months.
5. If a meter is found not to register, to register intermittently or to partially register for any period, SMPA shall estimate a charge for the kilowatt-hours used by averaging the amount registered over similar periods, or over corresponding periods in previous years or using other acceptable information available.

G. Sub-metering

Sub-metering, which is the resale of electricity by a master-metered Consumer of SMPA, is prohibited unless specifically allowable by law. Nothing in the foregoing sentence shall prohibit a master-metered Consumer from check-metering tenants, lessees or other persons to whom ultimately the electricity is distributed for the purpose of reimbursing the master-metered Consumer by an appropriate allocation procedure, provided the master-metered Consumer does not receive more than is necessary to pay the master-metered bill.

VII. ACCESS TO SERVICE EQUIPMENT

- A. Electric meter and service equipment installations on Consumer's premises must be readily accessible to authorized representatives of SMPA for inspection, reading, testing, maintenance, connection, and disconnection at all times. All service equipment must be accessible without requiring passage through restricted areas or requiring Consumer

contact. Locked meter rooms are not considered to be accessible unless keyed for a SMPA lock or equipped with a SMPA provided lock box for each meter room.

- B. It is the responsibility of the Consumer to maintain easy and safe access to all SMPA equipment located on Consumer premises. Any Consumer who does not continue to provide easy and safe access to SMPA equipment by allowing shrubs, bushes or any other items to block access, installing fencing without unlocked access, locked gates across roadways, having dogs or other animals on its property that may pose a danger to representatives of SMPA, or any other condition or situation that SMPA deems potentially hazardous will be notified in writing and given thirty (30) days to develop a plan to resolve the situation in a manner acceptable to SMPA. If the Consumer fails to remedy the situation in a manner acceptable to SMPA, electric service to that location will be disconnected until such time the situation is resolved to SMPA's satisfaction.
- C. SMPA will no longer maintain electric service equipment and meters beyond the point where access is readily available. Any Consumer who over the years has modified its dwellings or properties in a manner that restricts easy and safe access to equipment by representatives of SMPA will receive written notice from SMPA explaining the situation. The Consumer will have thirty (30) days to contact SMPA and develop a plan to resolve the situation in a manner acceptable to SMPA. Failure to contact SMPA will result in disconnection of electric service until such time the situation is resolved to SMPA's satisfaction. All costs necessary will be the responsibility of the Consumer. In some cases an inspection by the State Electrical Inspector of the new or modified service connections will be required prior to reconnection of electric service by SMPA.
- D. The location of any new meter installation shall be located as defined in SMPA's service specifications. Avoid installation on exterior walls that are likely to be fenced in.
- E. Any Consumer who modifies an existing building that causes the electric meter to be enclosed, or causes the service wires to be over a building, in violation of applicable codes, must have the meter base and/or the service wire relocated, at the Consumer's cost, to a location acceptable to SMPA.

VIII. REQUIREMENTS FOR SERVICE

- A. Easements
 - 1. The entering into of a contract with SMPA for the provision of electric service, or receipt of electric service, by a Consumer, will be deemed to constitute an agreement by the Consumer granting to SMPA an easement for any electric lines, wires, conduits and other equipment of SMPA necessary to render service to that Consumer. If requested by SMPA, the Consumer will execute SMPA's standard Right-of-Way Easement granting to SMPA, at no expense therefore, satisfactory easements for suitable location of SMPA's wires, conduits, poles, transformers, metering equipment, and other appurtenances on, under or across any land owned or controlled by the Consumer, and will furnish such space and shelter as may be satisfactory to SMPA for all necessary apparatus of SMPA, that may be located on the Consumer's premises.

2. Easements for distribution and/or service lines, along with any appurtenances thereto, as may be necessary to serve a Consumer, whether located on that Consumer's property or other property owned by a third party, shall be obtained and provided to SMPA by the Consumer, without charge, as a condition precedent for receiving service. This requirement shall apply to all overhead and underground power lines in accordance with the Line Extension Policy.

B. Consumer's Installation

1. Before purchasing equipment or beginning construction of a proposed installation, the Consumer shall be expected to confer with SMPA to determine if the type of service, capacity, and voltage desired by the Consumer is available; to determine if extension of, or additions to, SMPA's facilities will be required; and to secure definite location of the delivery point. Before any additions to, or alterations of existing installations are made by the Consumer which will materially affect service or the delivery point, SMPA must be notified. SMPA will determine whether required service is available and costs.
2. It is the Consumer's responsibility to provide protection for the Consumer's equipment against low voltage, phase reversal and single-phase operation on three-phase loads.
3. All wiring and electrical equipment on the Consumer's side of the delivery point will be furnished, installed and maintained at all times by the Consumer in conformity with good electrical practice, the National Electrical Code, the National Electrical Safety Code, the requirements of any governmental authority having jurisdiction and in accordance with SMPA's Rules and Regulations.
4. Except as otherwise provided in these Rules and Regulations, any overhead or underground distribution lines required beyond the delivery point shall be installed, owned, operated and maintained by the Consumer. Electric power and energy will be metered at a location designated by SMPA, which location may be at a point other than the delivery point. The Consumer will provide, install, operate and maintain such protective devices as needed.

C. Special Apparatus of Consumer

The Consumer will confer with SMPA before any special apparatus or any apparatus requiring extremely close voltage regulation is connected. In the event that any Consumer equipment impairs service to other Consumers, SMPA reserves the right to require correction of the condition by the Consumer. SMPA may refuse or discontinue service until such condition is corrected by the Consumer. In the above instance, SMPA reserves the right to charge the Consumer the full cost of facilities to correct the impairment of service to other Consumers.

D. Maintenance of Consumer's Facilities

1. All electric wiring, conduits, cables and apparatus, including necessary protective appliance essential to utilization of service on the Consumer's side of delivery point, shall be furnished, installed and maintained at the Consumer's expense, except as specifically provided by the contract for service, rate schedule applicable or these Rules and Regulations. A Consumer should call an independent licensed electrician to make any necessary repairs or improvements to its wiring or equipment.
2. SMPA may require the Consumer to pay for service calls, made by employees of SMPA, caused by faulty electric facilities located on the Consumer's side of the delivery point.
3. If the Consumer requires or elects to use voltages other than the standard secondary and primary voltages of SMPA's established distribution system, the special transformers may be required to be installed, operated and maintained by and at the expense of the Consumer.
4. Any equipment, devices or facilities furnished at the expense of SMPA or on which SMPA is obligated for the expense of maintenance and renewal shall remain the property of SMPA and may be removed by SMPA at any time after discontinuance of service.
5. It will be the Consumer's responsibility to give prompt notice to SMPA of any interruption, irregularity, or unsatisfactory electric service, or any damage or defect to SMPA's facilities known to the Consumer. All wiring and equipment on the load side of the meter belongs to the Consumer and is the Consumer's responsibility to maintain. A Consumer should call on independent electricians to make any necessary repairs or improvements to its wiring or equipment.

E. Transformers

Necessary step-down transformers will be installed and maintained by SMPA unless otherwise specified in the applicable rate schedule. If the Consumer's power requirements prove to be substantially more or less than set forth in a request for change, or in the application for service, SMPA may make such reduction or increase in installed transformer capacity as it deems advisable. The Consumer will pay SMPA the cost of making such change.

F. Wiring Inspections

1. The electrical wiring for each applicant requesting service at premises to be connected to SMPA's distribution system, or requesting an increase in service to premises already connected, shall be inspected and approved by the authority having jurisdiction. SMPA shall not be responsible for failure of the applicant to obtain said inspection.
2. SMPA, may report to the authority of the jurisdiction any existing Consumer's wiring if SMPA has reason to believe that dangerous wiring may exist on the Consumer's side of the delivery point. Service may be discontinued under rule IV in the event

any conditions are discovered which creates a hazard to the occupants of the premises or property of the Consumer.

IX. CHARACTERISTICS OF SERVICE

A. Reliability and Interruptions of Service

1. SMPA will strive for continuous service throughout its entire service area.
2. SMPA shall keep a record of all interruptions of service upon its entire system, including a statement of the time, duration and cause of any such interruption (if known). All records under this rule shall be retained by SMPA for a period of not less than five (5) years.
3. It is recognized that outages will occur on a power system. SMPA will not be liable for any loss or damage to property of others unless caused by SMPA negligence.

B. Construction Requirements

1. The electric plant of SMPA shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice in the electric industry to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished and the safety of persons and property. SMPA shall use as the minimum standard of accepted good engineering practice the then current edition of the National Electric Safety Code published by the Institute of Electrical and Electronics Engineers, Inc., and endorsed by the American National Standards Institute (ANSI).
2. Distribution facilities are those lines designed to be operated at SMPA's normal distribution voltage in the area, or lower, and substations constructed under existing lines, regardless of voltage. Extensions of distribution facilities (lines and substations) shall be deemed to occur in the ordinary course of business of utilities and shall not require a Certificate of Public Convenience and Necessity from the Commission.
3. Transmission facilities are those lines designed and operating above SMPA's normal voltage for distribution facilities in the area, and related substation facilities.

C. Standard Voltage and Permissible Variations

SMPA's standard nominal voltages for its secondary voltage distribution systems are 120/240 volt, 240/480 volt, 120/208 volt, 277/480 volt. SMPA will strive to maintain a variance of voltages of plus or minus ten percent (10%).

X. ELECTRIC SYSTEM AND USE OF FACILITIES

A. Inspection of Plant and Equipment

SMPA shall inspect its plant and distribution equipment and facilities in such manner and with such frequency as good practice requires, in order that the same may be maintained in proper condition for use in rendering safe and adequate electrical service.

B. Attachments to SMPA's Poles

1. No poster, banner, placards, radio or TV antenna, or any other objects will be attached to the poles of SMPA without written permission from SMPA, on a form provided by SMPA, such form to provide, at a minimum, for indemnification of SMPA for any damage or cost resulting from such attachment and the ability for SMPA to remove such attachment without notice if SMPA determines, in its sole discretion, that such attachment is detrimental to SMPA's operations.
2. SMPA will not install, or permit installations of, the Consumer's distribution wires or equipment on SMPA's primary voltage poles; provided, however, that where metering is on primary voltage poles, the Consumer will be allowed to go underground from such meter.
3. Joint use or commercial attachments will require a specific contractual agreement with SMPA. Commercial attachments must follow SMPA's license agreement procedure, including providing all signed applications, agreements, notifications, and pertinent information.

C. Liability

1. All lines, wires, apparatus, instruments, meters, transformers and materials supplied by SMPA at its expense or under its standard policies will be and remain the property of SMPA. SMPA's property shall not be worked upon or interfered with by the Consumer or other unauthorized persons.
2. SMPA shall not be held liable for injury to persons or damage to property caused by its lines or equipment when contacted or interfered with by guy wires, ropes, aerial wires, attachments, trees, structures or other objects not the property of SMPA which cross over, through or are in close proximity to SMPA's lines and equipment. SMPA should be given adequate notice before trees overhanging or in close proximity to SMPA's lines or equipment are trimmed or removed, or when stacks, guys, radio aerials, wires, ropes, drain pipes, structures or other objects are installed or removed near SMPA's lines or equipment; but SMPA assumes no liability whatsoever because of such notice.
3. SMPA shall not be held liable for injury to persons or damage to property caused by its underground lines or equipment when contacted or interfered with by pipe lines, communication lines, power lines, posts, poles, foundations, trees and shrubbery, explosives, trenching or boring equipment or other objects not the property of SMPA which cross over, under, through or are in close proximity to SMPA's underground lines and equipment. SMPA should be given adequate notice before

any excavation, drilling, blasting or driving of objects is undertaken or commences in close proximity to SMPA's underground lines or equipment; but SMPA assumes no liability whatsoever because of such notice.

4. SMPA shall not be liable for injury to persons, damage to property, monetary loss or loss of business caused by accidents, acts of God, fires, floods, strikes, wars, authority or orders of government or any other causes and contingencies beyond its control.
5. The Consumer assumes all responsibility on the Consumer's side of the point of delivery for service supplied or taken, as well as for the electrical installation and appliances used in connection with such service and will indemnify, save harmless and defend SMPA against all claims, demands, cost or expense, for loss, damage to or injury to persons or property, in any manner directly or indirectly connected with, or growing out of, the transmission or use of electric service by the Consumer, at or on the Consumer's side of the point of delivery.
6. The Consumer shall be responsible for any damage to, or loss of, SMPA's property located on the Consumer's premises, caused by or rising out of the acts, omissions or negligence of Consumer, or the misuse or unauthorized use of SMPA's property by the Consumer. The cost of making good such loss and/or repairing such damage shall be paid by the Consumer. The Consumer shall be held responsible for injury to SMPA's agents or employees if caused by Consumer's acts, omissions or negligence.
7. The Consumer shall be responsible for any injury to persons or damage to property occasioned or caused by the acts, omissions or negligence of the Consumer or any of his agents, employees or licensees in installing, maintaining, operating or using any of the Consumer's lines, wires, equipment, machinery or apparatus, and for injury and damage caused by defects in the same.

XI. SERVICE EXTENSIONS

A. Extension of Service, Lines and Facilities

SMPA's Rules and Regulations regarding extension of service, lines and facilities shall be as set forth in a separate subsection of SMPA's Line Extension Policy.

B. Temporary or Indeterminate Service

If service to a Consumer is to be temporary or indeterminate, the service connection and any line construction involved will be as set forth in SMPA's Line Extension Policy.

C. Alteration or Relocation of Facilities

1. Requests for alteration or relocation of SMPA's facilities for road moves, house moving, joint use, etc. shall be made sufficiently in advance to enable SMPA to properly schedule the requested alteration or relocation.
2. The person, firm or organization requesting the change shall guarantee the cost or applicable portion of cost for the alteration or relocation by a specific contract, a cash deposit of the estimated charges in advance or a Performance Bond in the amount of the estimated charges.

SMPA Board Representative