



Electric Service Rules and Regulations



Surry-Yadkin Electric
Membership Corporation

A Touchstone Energy Cooperative 

INTEGRITY

EXCELLENCE

COMMITMENT

Committed to member care.

Surry-Yadkin Electric Membership Corporation

Service Rules and Regulations

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Introduction

The Service Rules and Regulations are a part of the Service Agreement with Surry-Yadkin Electric Membership Corporation (SYEMC). Membership is available to all persons within the service area of SYEMC on a non-discriminatory basis as set forth in the bylaws of SYEMC. This document summarizes the general rules of service, subject to discretionary interpretation by SYEMC.

Members of SYEMC are both consumers and members of SYEMC. Members have the right to vote in selecting SYEMC's Board of Directors. The Board of Directors sets policies that determine how SYEMC operates.

The employees and management of SYEMC take great pride in providing our members with quality service and strive to maintain the reliability of product that members expect and deserve. While SYEMC cannot guarantee uninterrupted service, SYEMC will always work to provide the best and most trouble-free service possible.

Member Responsibility & Rights to Service

Member summary of rights and responsibilities is as follows:

1. Members have the right to obtain electric service if they establish and maintain satisfactory credit and provide SYEMC with necessary and reasonable access to their property for their own electric service and as necessary or convenient to serve any neighboring property.
2. Members may establish credit in one of two ways: (1) make a deposit with SYEMC; or (2) have a good credit rating in the consumer information system of the Cooperative.
3. Deposits will be interest bearing after (90) ninety days and refundable as a bill credit after twelve (12) continuous months as a member in good standing.
4. SYEMC has four (4) billing cycles. SYEMC retrieves all meter readings on a cyclical basis and generates bills accordingly. All bills are due no later than the due date shown on the bill.
5. Members may designate a third party to receive a copy of any billing-related correspondence.
6. Members may designate a third party on their accounts to make inquiries or perform limited transactions on the member's behalf (Additional Contact).
7. If an individual residing in the member's household is chronically ill, disabled, or on an electronically operated life support system, the member is responsible for providing an accepted form of written medical certification as a condition of any special treatment of the account, such as modified payment or disconnect terms.

8. Upon the member's request, SYEMC will test the member's electric meter for accuracy and will give the member a report of the test results. A fee will be charged for the testing and must be paid by the member in advance. The fee will be refunded if the meter is found to be outside acceptable accuracy limits.
9. Information pertaining to but not limited to SYEMC principles, SYEMC bylaws, rates, rebates, reporting of power failure, statement of nondiscrimination and conservation practices can be found on SYEMC's website <https://www.syemc.com/>. Any questions regarding this information should be directed to SYEMC's office. See contact information below.
10. SYEMC will make a full and prompt investigation of all service complaints. The recommended order for filing of such complaints is defined in Section 503.
11. Members may request and have installed by SYEMC, at the member's expense, types of service that exceed what is normally supplied, provided that the service meets the general conditions in the Service Rules and Regulations.

Office Hours

SYEMC's office is located at 510 South Main Street, Dobson, North Carolina. The office is open for business between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. Regular service work is performed during normal business hours. Emergency repair work, i.e., clearing outages, correcting hazardous occurrences, etc. is performed 24 hours a day, 7 days a week.

Contact Numbers:

Office and Outage Reporting: 336-356-8241 or 1-800-682-5903

Pay by Phone: 1-888-223-2059

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, audiotope, 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.

This institution is an equal opportunity employer and provider.

W. Gregory Puckett
Executive Vice President & General Manager

General Service Rules and Regulations

100 Electric Service Availability

101 Application for Membership

The Service Agreement between SYEMC and its members will consist of the following:

- Membership Application, signed by the member;
- Payment of any required deposits;
- Bylaws;
- All necessary right-of-way easements;
- Applicable rate schedules and riders;
- Load management agreement (if applicable);
- Service Rules and Regulations;
- Contribution to aid in construction.

A supplemental written contract on a form provided by SYEMC may be required from any applicant requiring three-phase service, a contribution in aid of construction or whose estimated demand is 50kW or more. SYEMC's form of application for membership must be completed, signed, and submitted to SYEMC. A nonrefundable connection charge, as specified in the Schedule of Charges, will be required. Neither the membership nor the Service Agreement is transferable or assignable. When two or more rate schedules and/or riders are available, SYEMC will assist in the selection, but it will be the member's responsibility to determine which to select. Refer to Appendix for description of the available rate schedules and riders.

102 Security Deposit

The standard security deposit for an account/location with less than twelve (12) months of billing history is \$500.00.

The standard security deposit for an account/location with twelve (12) months or more of billing history is two (2) times the highest monthly bill.

SYEMC reserves the right to require an additional security deposit any time.

Interest will begin to accrue on the security deposit after the first ninety (90) days. The interest rate will be determined by the Board of Directors. The security deposit will automatically be refunded to the member as a credit on the member's account if the member has satisfactory payment history if during the past twelve (12) months, (i) the member has not been delinquent more than once, (ii) has not had a check to SYEMC returned for insufficient funds, and (iii) has not tampered with the meter or any other SYEMC equipment; and (iiii) has not been on the disconnect list.

Upon termination of membership, the security deposit (if not already credited to the member's account), including applicable interest, will be refunded to the member or applied against any unpaid balance owed to SYEMC. If a member has multiple accounts

with SYEMC and wishes to disconnect service of any one account, any deposit and interest not already refunded/credited will be transferred to an active account.

Waiver of Security Deposit: A security deposit will not be required from individuals or businesses who have had an account(s) with the cooperative for at least 12 months and have established a good payment record as determined by the consumer information system of the Cooperative. Additionally, new members may authorize the cooperative to perform a credit check, and upon approval of credit, a deposit will not be required.

103 EZ Power Accounts (Prepaid Metering)

In addition to the rules and regulations set out elsewhere in this document, members electing to participate in the prepaid metering program must comply with the following terms:

- **Availability:** SYEMC's EZ Power program is available to all single phase, non-demand residential members with a 200 AMP service.
- **New Members:** New members electing to enroll in EZ Power will be required to complete a membership application if an application is not currently on file. Payment of normal connection fees plus a minimum electric service prepayment are required for initial service. EZ Power accounts will be charged according to the current rate schedule.
- **Existing Members:** Existing members opting to convert their accounts to EZ Power prepaid accounts will have any existing deposits applied to their account balances or to their EZ Power accounts. All pre-existing fees and unbilled energy must be paid in full before an account may be converted to an EZ Power account. If the member's account is not paid in full prior to converting to an EZ Power account, the member may be eligible to participate in the debt recovery program set out below.
- **Debt Recovery:** Existing members with account balances of no more than \$300.00 are eligible to participate in the debt recovery program. Fifty percent (50%) of each payment that is made on the EZ Power account will be applied to the debt until the balance is paid off.
- **Payments:** Payments can be made at SYEMC's office during normal business hours, at the 24-hour kiosk located at the office drive-thru, on SYEMC's website, via the SmartHub App, or by dialing our automated payment system at 1- (888) 223-2059.
- **Bill Viewing and Bill Calculation:** SYEMC will provide daily usage and balance information through the SmartHub service subject to ordinary delays in deducting charges and fees from the prepaid credit balance.
- **Billing:** Members with EZ Power accounts do not receive paper statements or e-bills. Daily EZ Power account history (usage, charges, and payments) will be available by phone or via the SmartHub app or website. SmartHub allows the

member to modify the member's notification settings. The member is solely responsible for managing and updating the notification setting(s) on the member's EZ Power account(s). All low balance or disconnect notices will be sent via email. Failure to maintain a correct email address may result in disconnection without notice.

- **Disconnection and Minimum Payments for Reconnection:** EZ Power accounts are subject to automated disconnection whenever the member's account does not have a credit balance. Any returned checks or other fees will be charged to the member's account. If this causes the credit balance to be exhausted, service will be disconnected. To restore service, the member must obtain a credit balance on the account.
- **Final Billing:** Once an EZ Power account has been disconnected, a final bill will be calculated. Any credit remaining on the account will be refunded to the member.

104 Additional Service Connections

A member in good standing may have any number of service connections under one membership. The member may be obligated to pay, pursuant to the above section 102, the applicable service security deposit for each additional service and will be obligated to pay for all electric demand and energy used on the premises at SYEMC's applicable rates. A member with more than one account is equally responsible for current payment of all accounts, and delinquency in one account may be deemed delinquency in all of such member's accounts.

105 Area Coverage and Line Facilities

SYEMC will collect a contribution in aid of construction on any project where cost recovery from the account is unlikely.

- Upon a member's application for service, SYEMC will extend its standard overhead or underground single-phase primary and secondary electric service to any primary residential service at no cost to the applicant/member; provided, the cost for extending such service does not exceed \$12,000.00. Should the cost exceed \$12,000.00, the applicant/member shall be responsible for paying all costs in excess of \$12,000.00.
- **Temporary Service**

When applying for temporary service (such as to serve construction projects, rock crushers, asphalt plants, carnivals and fairs, sawmills, mining operations, etc.), the applicant must pay all estimated installation costs, applicable deposit(s), and the cost of materials lost due to early retirement, before construction may begin.
- When an applicant/member applies for a primary or secondary service extension for an incidental location (such as barns, bins, tying machines, small shops, greenhouses, wells, electric fences, electric gates, sheds, camper services, etc.), the

applicant/member is responsible for paying any estimated costs over \$6,000.00 prior to the start of construction.

- If an applicant for electric service initially declares a project to be a primary residential service and SYEMC determines that the project is not a primary residential service, the applicant/member will be required to pay contribution in aid of construction costs required for an incidental service location.
- New Residential Subdivisions

Upon request, the Cooperative will install overhead or underground distribution facilities for the provision of electric service within a planned subdivision of ten (10) lots or greater. Contribution in aid of construction fees equal to the full estimated cost of the facilities must be paid in full prior to installation of any electrical facilities for the subdivision. As permanent primary residential structures are constructed, the Cooperative may, within 60 months of the installation of primary electrical facilities, refund a portion of the subdivision developer's original contribution in aid of construction.

106 Metering Facilities

SYEMC provides and installs one standard meter. Any non-standard meter will be considered an excess facility. The member is required to provide an approved meter base. All meter bases must be installed on an accessible exterior wall. The center of the meter base should be no less than four (4) feet and no more than six (6) feet above finished grade level. When applying for more than one class of service on the same premises, members must ensure their wiring allows each class of service to be metered separately.

Regardless of ownership of the facilities, SYEMC 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 purposes of monitoring and maintaining the member's service.

200 Conditions of Service

201 General Conditions

SYEMC will supply electrical service to the member only after all of the following conditions are met:

- The member is in compliance with all aspects of the Service Agreement and agrees to be bound by all terms of SYEMC's Bylaws.
- The member agrees to furnish, without cost to SYEMC, all necessary easements and rights-of-way across all properties owned by the member.
- The member agrees to have all streets, alleys, and driveway entrances graded to within six (6) inches of final grade and have lot lines established before installation or extension of electrical service begins.

- The member agrees that SYEMC will have the right of access to the member's property at no charge to SYEMC at all times for any purpose necessary or convenient in constructing, operating, or maintaining the system, or serving any member or premises.
- Any previous outstanding debts owed to SYEMC by the member have been paid.
- Provision of service in no way conflicts with public authorities.
- All member wiring and equipment meets the requirements of the National Electrical Safety Code and of SYEMC, in addition to the specifications of any local authorities having jurisdiction. If requested, the member must provide SYEMC proof of inspection that the premises' wiring meets all local and state government standards.
- The member has not connected, and agrees not to connect in the future, any motors or other equipment which are not suitable for operation with the character of the service supplied by SYEMC or which adversely affect SYEMC's equipment or the service to other members.
- The member agrees to be responsible for any additional facilities, protective devices, or corrective equipment necessary to provide adequate service or prevent interferences with service to other SYEMC members. Such loads include, but are not limited to, those requiring excessive capacity because of large momentary current demands or requiring close voltage regulation, such as welders, x-ray machines, or motor starting across the line.
- Member agrees to be responsible for notifying SYEMC of any additions to or changes in the member's equipment which might affect the quality of service or might increase the member's demand.
- The member agrees that when multi-phase service is furnished, the member will, at all times, maintain a reasonable balance of load between the phases. Three-phase motors with high-starting or fluctuating currents must be installed in accordance with SYEMC's Rate Schedule and Riders, and Service Rules and Regulations.
- The member agrees to promptly notify SYEMC in writing, with doctor's certification included, if someone in the household is chronically ill, disabled, or on an electronically-operated life support system, and special accommodations are essential to preserving life and health.

202 Standard Supply Voltages

SYEMC maintains one system of alternating current at a standard frequency of sixty (60) cycles per second, as set forth by the American National Standards, that is supplied throughout its system and within prudent utility practices. SYEMC will determine the voltage, number of phases, and type of metering which will be supplied depending upon available SYEMC's facilities and upon the character, size, and location of the load to be

served. Members must consult with SYEMC in writing before proceeding with the purchase or installation or wiring of equipment.

The service voltages described below are nominal. Variations between no less than one hundred fourteen (114) volts and no more than one hundred twenty-six (126) volts on a one hundred twenty (120) volt basis should be expected.

| | |
|--------------|---------------|
| Single Phase | 120/240 Volts |
| Three Phase | 120/208 Volts |
| Three Phase | 120/240 Volts |
| Three Phase | 277/480 Volts |

There is no violation of the voltage standard if voltages outside of the prescribed limits are caused by any of the following:

- Action of elements,
- Service interruptions,
- Temporary separation of parts of the system from the main system,
- Infrequent fluctuations of short duration,
- Voltage control for load management purposes,
- Other causes beyond the control of SYEMC,
- Addition of member equipment without proper notification to SYEMC,
- Emergency operations, or
- The operation of the member's equipment.

203 Service Interruptions

SYEMC does not guarantee continuous and uninterrupted service and will not be liable for loss or damage to any member's equipment, other personal property, real property, business losses, or consequential damages, any of which are 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 SYEMC.

Such causes include, but are not limited to:

- An emergency action due to an adverse condition or disturbance on the system of SYEMC, or on any other system directly or indirectly interconnected with it,
- An Act of God, or the public enemy, or insurrection, riot, civil disorder, fire, or an order from federal, state, municipal, county or other public authority,
- Making necessary adjustments to, changes in or repairs on lines, substations, and facilities, and in cases where, in SYEMC's opinion, the continuance of service to consumers' premises would endanger persons or property.

The member will notify SYEMC 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 Right-of-Way Maintenance

The member will grant right-of-way to SYEMC. SYEMC will maintain, the right-of-way according to its specifications with the right to cut, trim and control, through mechanical or chemical means, the growth of trees, limbs and shrubbery located within the right-of-way and those outside the right-of-way that may interfere with or threaten to endanger the operation or maintenance of SYEMC's line system. When trimming right-of-way, SYEMC will remove debris, other than stumps, at its expense from "clean and maintained" areas - that is, an area which is regularly maintained free of logs and brush.

Members who observe any obvious hazards, such as fallen trees or limbs on power lines, should report such hazards to SYEMC.

205 Foreign Electricity, Parallel Service, and Standby Generation

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

Where approved standby and/or supplemental on-site generation is provided by the member, parallel operation of the member's generating equipment with SYEMC's system will not be allowed without expressed permission of SYEMC. If such permission is obtained, the member will install all protective devices specified in the National Electrical Code, the National Electrical Safety Code or by SYEMC, as applicable. In the use of standby on-site generation not in parallel, a double throw switch must be used to prevent possible injury to SYEMC's personnel and equipment by making it impossible for power to feed back into the main line from the emergency generator. The member shall be liable for any injuries to property or persons resulting from such member's failure to strictly comply with this provision.

206 Qualifying Facilities and Renewable Generation

SYEMC 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 (QFs). Any owner/operator of a QF desiring to connect with and sell electric capacity and energy to SYEMC shall notify the Cooperative to first apply for interconnection.

QF Purchases: Any contracts for the sale of electric demand and energy from a QF will be made between the owner/operator and SYEMC or NCEMC. SYEMC will be responsible for purchases from all QFs with a maximum nameplate capacity of 25kWAC or less. SYEMC will provide the owner/operator with its current rates as specified in its current applicable rate schedule and will provide a standard application.

NCEMC will be responsible for purchases from all QFs with a maximum nameplate capacity greater than 25kWAC. SYEMC will assist the owner/operator in making initial contact with NCEMC.

Residential Renewable Project Purchases: SYEMC will be responsible for all purchases or crediting, if any, from output derived from residential renewable projects.

Commercial & Industrial (C&I) Renewable Project Purchases: SYEMC will be responsible for purchases or crediting, if any, of output derived from customer owned C&I renewable projects, except for projects with a maximum nameplate capacity that exceeds 100% of that C&I customer's annual peak load, which shall be treated as a QF for policy purposes and be the purchasing responsibility of NCEMC.

Availability: The purchasing provisions above are applicable to a QF, as that term is defined in PURPA and the regulations promulgated thereunder, that supplies power from a single facility. Facilities owned by the same owner operator that generate power using the same energy resource and are located within one-half mile, as measured from the edge of the electrical generating equipment, shall be treated as a single facility. Renewable projects include those facilities using hydroelectric, solar, or wind generation or a biomass-fueled generator using trash or methane derived from landfills, hog waste, poultry waste, or non-animal biomass . A renewable project may include renewable generating equipment paired with a storage device installed at or connected behind the meter of the facility, but does not include stand-alone storage.

207 Line and Facilities Conversion and Relocation

Upon request of a member, SYEMC will, if consistent with prudent utility practice, relocate lines, poles, and facilities. The member may be required to pay, in advance, the cost of relocating the facilities and for acquisition of any required and approved additional right-of-way necessary for the relocation. At a member's request, SYEMC may convert existing adequate overhead facilities to underground, provided that the member pays SYEMC for all costs incurred.

Under most circumstances, SYEMC will, upon request, raise or lower lines to afford a safe passage for buildings or equipment being moved. Parties making such requests will be required to pay the costs of the labor and any material and equipment used. Also, such parties will be required to pay in advance a non-refundable reasonable estimate of cost to SYEMC. Construction in right-of-way zones is strictly prohibited.

208 Energy Management Assistance

SYEMC will investigate, render advice and lend assistance needed for all reasonable requests of the member pertaining to the member's account, usage, bill, load management equipment, and energy conservation measures.

300 Billing

301 Responsibility to Read Meter

Meters will be read by SYEMC, or its appointed contractor. The member may elect to have a manually read meter, if available. A monthly field visit fee will be billed for each manually read meter. If, for any reason, a meter is not read, the meter reading and corresponding use for the period will be estimated based on prior usage and other applicable factors.

302 Due Dates and Failure to Pay

Payments are due no later than the due date specified on the bill and are delinquent if not received in SYEMC's office by the close of business on such due date. Members whose bills become delinquent will be charged a late payment charge not to exceed one and one-half percent (1.5%) of the delinquent amount, per month.

SYEMC is responsible for retrieving all meter readings on a cycle basis. SYEMC bills are generated accordingly.

As a courtesy, upon the first occurrence of a delinquent payment no penalty or late fee will be assessed. Once a disconnect notice has been issued, accounts that are not paid are subject to disconnection within seven (7) to eight (8) calendar days of the date of notice.

If a service representative visits an account for collection, a service charge will be added to the member's bill.

If service is disconnected for non-payment of account, a reconnection charge, if applicable, and deposit, in addition to full payment of all unpaid bills, will be required before service is restored. Converting to an EZ Power account (prepaid metering) may be an option to avoid paying a security deposit in order to be reconnected.

Non-receipt of bills or notices does not exempt a member from payment.

For all service locations that are so equipped, disconnection for nonpayment of account and any subsequent reconnection will be performed via remote disconnection. When a service has been disconnected remotely, all required payments for reconnection must be made via SmartHub, in person at SYEMC's office, at an approved payment location, at the

payment kiosk located at SYEMC's drive thru, or via telephone. SYEMC will not dispatch service representatives to collect payment on an account that was remotely disconnected.

Whenever a service representative is dispatched to an account location for the purpose of collection or disconnection of a delinquent account, SYEMC will install an electric meter equipped with remote disconnect capability. Remote disconnect meters will not be installed at single-phase service locations that are rated for more than two hundred (200) amps or at any three-phase service locations. SYEMC reserves the right to install or remove remote disconnect meters at any location, at its sole discretion.

Members may request, in writing, that a copy of any disconnect notices be sent to a specified third party; however, failure to provide notice to such third party shall not relieve a member of responsibility to make payment for service.

303 Multiple Accounts

If a member has more than one account, SYEMC reserves the right to apply any payment made by the member to any of the member's accounts. All funds received will first be applied to any interest and penalty on the delinquent account(s), with the remaining funds to be applied against the electric service bill. Delinquency of a member in any account may be deemed delinquency in all such member's accounts and may result in disconnection of all services.

304 Bill in Dispute

Non-receipt of a bill does not exempt a member from payment. A duplicate bill may be obtained from SYEMC. Neither a dispute concerning the amount of a bill nor a claim or demand by the member against SYEMC will alter the normal requirements for payment.

305 Method of Payment

Payments may be made at the offices of SYEMC or through any authorized collection site. See SYEMC's website (www.syemc.com) for a complete listing of authorized collection sites.

Payments may also be made:

- In person,
- At SYEMC's kiosk/drive thru,
- By mail (check or money order only),¹
- By bank draft,
- Recurring debit card or credit card payment,

¹Payments made by mail must be received by SYEMC no later than the bill's due date. Any payments rendered by mail in the form of cash will be at the member's own risk. Members are **strongly** discouraged from making cash payments except in person.

- By phone,
- SYEMC 's website, or
- SmartHub App (download at Google Play or the App Store).

A payment is considered “made” when cash or other negotiable equivalent is in the possession of SYEMC and posted to the member’s account.

306 Returned Checks

Any member in good standing, whose check for payment of service is returned for insufficient funds will be notified by mail or e-mail. A returned check fee will be added to the member’s account balance. Such charge will be equal to the maximum allowed by North Carolina law.

If the member is not in good standing at the time the check is returned for insufficient funds, service shall be discontinued immediately and without notice. If SYEMC receives more than two such checks from a member in any 12-month period, SYEMC may refuse to accept further personal checks from the member.

307 Correction of Billing Errors

A member may request a meter test. A meter test charge, as specified in the Schedule of Charges, will be imposed, but will be refunded if the meter is found to be in error in excess of plus or minus one half of one percent (1/2%).

A report will be supplied to the member within a reasonable time after the completion of the requested test.

When a meter stops or fails to register correctly, or if the calibration is found to be in error of more than plus or minus one half of one percent (1/2%), the member’s account will be adjusted accordingly.

Adjustments to the electric bill due to inaccurate metering equipment, errors in meter reading or billing, will be made promptly. SYEMC will issue immediate credit when it is in error, and the member will be expected to pay any appropriate additional charges as billed. Providing, however, adjustments shall be limited to a maximum of thirty-six (36) months. Upon request by a member and if circumstances warrant, payments owed to SYEMC may be made in installments over a period equal in length to the same period of time during which the error occurred. If the interval during which the billing error occurred cannot be determined, then the billing adjustment will be based on the average usage and/or demand over the previous thirty-six (36) months.

If the interval during which the billing error occurred can be determined, then the billing adjustment will be based on the appropriate estimation of usage and/or demand for that entire interval up to a maximum period of thirty-six (36) months.

308 Unavoidable Cessation of Service by Member

In the event a premise is unintentionally destroyed, resulting in a complete cessation of service, then upon written notice by the member to SYEMC within thirty (30) days thereafter advising that the member intends to resume service as soon as possible, any basic facility charge will be waived until service is resumed. Otherwise, the agreement for service will immediately terminate.

400 Disconnection and Reconnection

401 Disconnection of Service by SYEMC

After notice has been given and reasonable time to comply has been allowed, service may be disconnected for noncompliance with the Bylaws of SYEMC, the Service Agreement with SYEMC, or any applicable federal, state or local laws, regulations or codes, including, but not limited to, nonpayment of bills or refusal of access to SYEMC's meters or other facilities on the member's premises.

SYEMC may disconnect service immediately and without notice for the following reasons:

- Discovery of tampering with meter or load management equipment or diversion of current,
- Discovery of use of power for unlawful or unauthorized reasons,
- By order of public authority,
- Discovery of an electrical condition determined by SYEMC to be potentially dangerous and imminently hazardous to life or property of SYEMC or the public,
- For repairs, emergency operations, unavoidable shortages, or interruptions in the member's supply source.
- Introduction of foreign electricity on the premises without the prior written consent of SYEMC, or
- Any threat against, or intimidation of, SYEMC personnel or contractors.

402 Reconnection of Service by SYEMC

Subsequent to the disconnection of electric service by SYEMC for reasons listed in Section 401 above, service may be reconnected under the following conditions:

- The conditions causing the disconnection are corrected,
- Payment has been made for the cost of repair or replacement of SYEMC's meter or any other properties, if tampered with or otherwise damaged or destroyed,
- The member has agreed to comply with reasonable requirements to protect SYEMC against further infractions, and
- A reconnection fee and/or any other applicable service charges and security deposits, as specified in the Schedule of Charges, have been paid.

Where the service has been discontinued for non-payment of a bill, meter tampering, unauthorized or illegal use of power, SYEMC will have the right to refuse service to the same member until the infraction is corrected, credit is re-established by the member and all applicable accounts have been paid.

403 Disconnection of Service by Member

For disconnection of service, the member should give a minimum of one business day notice prior to requested disconnection unless a written contract specifies otherwise.

A member may voluntarily withdraw in good standing from membership by paying all amounts due SYEMC, resolving any outstanding issues of non-compliance with the Bylaws or these service rules, and ceasing the use of electric service from SYEMC. Upon such withdrawal, the member will receive a refund of the balance of any service security deposit held by SYEMC after being applied to the member's final bill.

500 SYEMC and Member Obligations

501 Approval and SYEMC's Board Authority

SYEMC's Board of Directors is the governing body and is the final authority for making and revising these Service Rules and Regulations. These Service Rules and Regulations and Rate Schedules are on file in SYEMC's headquarters office, and such filing and publishing will constitute official notice to all members when there are changes.

In case of conflict between any provision of the Bylaws and the Service Rules and Regulations, the Bylaws will prevail. In case of conflict between any provision of a Rate Schedule or Rider and these Service Rules and Regulations, the Rate Schedule or the Rider will prevail.

502 Responsibility of Member and SYEMC

Electric service is supplied by SYEMC and purchased by the member upon the express condition that after it passes the point of delivery it becomes the property of the member to be used only as provided in the Service Agreement. SYEMC will not be liable for loss or damage to any person, property, business losses or consequential damage whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electric service after it passes the point of delivery or for any loss or damage resulting from the presence, character, or condition of the wires or equipment of the member or for the inspection or repair of the wires or equipment of the member.

It is understood and agreed that SYEMC is merely a supplier of electric service, and SYEMC will not be responsible for any damage or injury to the buildings, motors, apparatus or other property of the member due to lightning, defects in wiring or other electrical installations, defective equipment or other cause not due to the negligence of SYEMC. SYEMC will not be, in any way, responsible for the transmission, use or control of the electric service beyond the point of delivery, except as it may apply to the use of load management programs.

In maintaining rights-of-way, SYEMC will not be liable for the damage to trees, shrubs, lawns, fences, sidewalks, or other obstructions to the installation, maintenance or replacement of facilities, unless caused by its own negligence.

All meters, service connections and other equipment furnished by SYEMC will be, and will remain, the property of SYEMC. The member will not interfere with or alter SYEMC's meters, seals, or other property, or permit the same to be done by anyone other than SYEMC's authorized agent or employee. Damage caused or permitted by the member to SYEMC's property will be paid for by the member.

503 Complaint Procedure

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

- First, file a complaint at the SYEMC office and allow reasonable time for investigation, advice, and action. If the results are not satisfactory, then:
- File a written complaint with the General Manager, providing information and results from the initial complaint and/or naming SYEMC personnel who handled the complaint. Allow reasonable time for the General Manager to investigate and take action. If the results are still not satisfactory, then:
- File a written complaint with SYEMC's Board of Directors. Allow reasonable time for the Board to schedule the item at a regular meeting and for the Board's decision on the matter to be carried out. If results are still not satisfactory, then:
- File a complaint with the North Carolina Rural Electrification Authority in Raleigh, North Carolina, 4321 Mail Service Center, Raleigh, NC 27699-4321, (919) 733-7513. Allow reasonable time for the Authority to investigate and take action.

FAILURE OF SYEMC TO ENFORCE ANY OF THE TERMS OF THESE RULES AND REGULATIONS WILL NOT BE DEEMED AS A WAIVER OF ITS RIGHT TO DO SO.

Appendix 1:

Schedule of Charges

| | |
|---|----------------|
| Security Deposit – See Section 102 | |
| Manual Connection– NONREFUNDABLE | \$25.00 |
| Manual Reconnect for Non-Payment..... | \$50.00 |
| Monthly Manual Meter Read Fee | \$25.00 |
| Transfer Fee | \$10.00 |
| Late Payment Charge on Past Due Amount..... | 1 ½% per month |
| Late Payment Notice Fee | \$5.00 |
| Collection Fee..... | \$25.00 |
| Returned Check Charge | \$25.00 |
| Meter Test Charge..... | \$75.00 |
| Meter Tampering Fee - 1 st Offense | \$250.00 |
| Meter Tampering Fee - 2 nd Offense | \$500.00 |

Appendix 2:

Definitions

Applicant

A member or prospective member who has applied for service.

Area Coverage

The public policy of obligating SYEMC to provide service, on a nondiscriminatory basis, to all persons and entities desiring electrical service within a service territory assigned to SYEMC.

Billing Period

The time period between monthly billings.

Capital Credits

The portion of SYEMC's net margins allocated to individual members and returned on a periodic basis as determined by the Board of Directors.

Clean and Maintained Right-of-Way

Right-of-way area that is regularly maintained free of vegetation that could interfere with electric service.

Conservation

The practice of efficiently and effectively using electric generating and transmitting facilities while avoiding wasteful consumption of electric energy.

Delinquent Bill

A bill for which payment is not received in the office by the close of business on the due date as stated on the bill.

Electric Service

Supply to an established point of delivery 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 SYEMC, including, but not limited to, power obtained from other power suppliers and customer-owned generators.

Household

All persons living together under one roof.

Member

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

Member in Good Standing

A member who has fulfilled all obligations of the member for any or all accounts under the member's name and has maintained a "Good" credit rating in the consumer information system of the Cooperative. A "Good" credit rating in the consumer information system is an account which has had no more than four points in "credit events" over the past 12 months. "Credit events" occur when your bill is not paid in full on the due date, and may include, but not be limited to, notices of late payment due or disconnect, disconnect for non-payment, returned checks, bankruptcy, meter tampering, etc.

Meter Tampering

Diversion of power or the unauthorized alteration or manipulation of SYEMC's meter, wires, seals, or other apparatus in such a way as to prevent the meter from recording accurately under the seal the amount of electric service supplied to the member. Criminal penalties may apply. Unauthorized alteration or manipulation of SYEMC's load management equipment is often referred to as **meter tampering**

NCEMC

The North Carolina Electric Membership Corporation located in Raleigh, North Carolina, is the wholesale supplier of electric service for 26 cooperatives in North Carolina. NCEMC is a cooperative owned by the 26 cooperatives in the same manner that the members receiving retail electric service from SYEMC own SYEMC.

Permanent Buildings

Buildings which have 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 SYEMC'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.

Service Agreement

The agreement between SYEMC and the member, consisting of the following:

- Membership Application, signed by Member and Cooperative,
- Payment of any required fee,
- Bylaws,
- All necessary right-of-way easements,
- Applicable rate schedules and riders, and
- Service Rules and Regulations.

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.

Standard Service Connection

Unless otherwise stated or agreed to by SYEMC, the standard service connection will be single phase, 60 cycles per second electric service provided to the point of delivery at 120/240 volts, subject to normal variations.