

Board Policy No. 600

SUBJECT: Penalties and Service Charges

I. PURPOSE

The cooperative shall impose such penalties and/or service charges that it deems necessary when any member fails to comply with the rules and regulations, bylaws, or policies of the cooperative. It is the intent that these penalties and service charges shall cover the costs incurred by the cooperative due to non-compliance with the provisions contained herein.

II. CONTENT

The following penalties and service charges are applicable:

A. Late Payment Charge

A penalty of five percent (5%) shall be added to the amount due if payment is not received or postmarked by 3:30 p.m. on the 20th day of the month in which the bill is rendered. If the 20th falls on a weekend or a holiday, payment is due or postmarked by 3:30 p.m. the next business day.

B. Trips

1. If cooperative personnel are required to make a trip to a member's home for the purposes described below, the following service charges will apply:

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| a. Collections | \$100.00 |
| b. Disconnect for Non-Payment (DNP) | \$200.00 |
| c. Reconnect after DNP | \$200.00 |
| d. Reconnect after DNP overtime | \$350.00 |

No reconnects after DNP shall be made after 8:00 pm Monday-Friday, on a Saturday or Sunday, or other company observed holiday.

2. If the service has been disconnected for less than twelve (12) months, the applicable minimum bill, according to the provisions of the current rate schedule or service contract, must be paid before service is reconnected.

C. Bad Checks: If a check is received and processed by the cooperative and subsequently not honored by the member's bank, a charge of thirty-five dollars (\$35.00) will be levied. Also, the late payment charge, as specified in paragraph A, shall be added if the bill is not paid in full by the due date. If two bad checks are received in a twelve-month period, the member will be put on a cash only basis.

- D. Meter Testing: If a meter is tested at a member's request and the meter is found to be accurate within a range of plus or minus two percent (2%), a charge of one-hundred dollars (\$100.00) shall apply. No charge shall be made if the meter is found to be inaccurate beyond plus or minus two percent (2%).
- E. Temporary Power Fee: A non-refundable fee of five hundred dollars (\$500.00) will be paid prior to the construction of a temporary service that will not be followed with a permanent service such as service to job trailers, construction signs, etc.
- F. General: A five-hundred dollar (\$500.00) penalty shall be payable to the cooperative, in addition to any other amounts due, upon conviction of any of the following offenses:
1. Fraudulent representation as to the use of electric service.
 2. Unauthorized removal of a meter seal or meter base seal.
 3. Tampering with a meter or other metering equipment.
 4. Making an unauthorized electrical connection to the cooperative's facilities.

This penalty shall be in addition to any fine or penalty imposed by law.

III. RESPONSIBILITY

The Chief Executive Officer is responsible for compliance.

- IV. This policy supersedes and cancels all other policies which relate to the subject matter.

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| Date adopted: | July 19, 1979 | Attest | Lynn Roles, Secretary |
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| Revised: | April 17, 1980 | | Lynn Roles, Secretary |
| | September 18, 1980 | | Lynn Roles, Secretary |
| | February 19, 1981 | | Wayne E. Gavitt, Secretary |
| | July 16, 1987 | | Lynn Roles, Secretary |
| | April 25, 1990 | | Lynn Roles, Secretary |
| | February 20, 1992 | | Kathy A. Robbins, Secretary |
| Rfmd: | August 20, 1998 | | Lynn Roles, Secretary |
| | January 21, 1999 | | Walter E. Botsford, Secretary |

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|-------------------|-------------------------------|
| March 30, 2000 | Walter E. Botsford, Secretary |
| March 21, 2002 | Walter E. Botsford, Secretary |
| July 22, 2004 | Walter E. Botsford, Secretary |
| August 17, 2006 | Walter E. Botsford, Secretary |
| April 19, 2007 | Walter E. Botsford, Secretary |
| May 10, 2007 | Walter E. Botsford, Secretary |
| February 21, 2008 | Walter E. Botsford, Secretary |
| April 16, 2009 | Walter E. Botsford, Secretary |
| February 18, 2010 | Walter E. Botsford, Secretary |
| October 21, 2010 | Walter E. Botsford, Secretary |
| February 26, 2013 | Walter E. Botsford, Secretary |
| April 24, 2013 | Walter E. Botsford, Secretary |
| May 21, 2013 | Walter E. Botsford, Secretary |
| June 13, 2013 | Walter E. Botsford, Secretary |
| February 6, 2014 | Walter E. Botsford, Secretary |
| February 19, 2015 | Kathy Robbins, Secretary |
| October 20, 2016 | Kathy Robbins, Secretary |
| February 20, 2020 | Kathy Robbins, Secretary |
| March 16, 2023 | Kathy A. Robbins, Secretary |

February 15, 2024

Kathy A. Robbins, Secretary