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TERMS AND CONDITIONS OF SERVICE-INTRODUCTION

GENERAL STATEMENT

PURPOSE OF TERMS AND CONDITIONS OF SERVICE: These Terms and Conditions of Service are designed to govern the supplying and taking of electric service in such manner as will secure for each consumer the greatest practicable latitude in the enjoyment of his service that is consistent with good practice and safety to other members and consumers and to the Cooperative. They supersede and cancel all previous regulations pertaining to the supplying and taking of Cooperative's electric service.

APPLICABILITY: These Terms and Conditions of Service, and any modifications thereof and additions thereto lawfully made, are applicable to all standard service agreements and contracts now existing or which may be entered into by the Cooperative and to all rate schedules which from time to time may be lawfully determined and adopted.

DEFINITIONS: The following expressions when used in these Terms and Conditions of Service, in Rate Schedules, and in Service Agreements shall, unless otherwise indicated, have the meanings given below.

APPLICANT: Any person, firm, corporation or public body requesting electric service from the Cooperative.

COMMISSION: The Corporation Commission of Oklahoma

COOPERATIVE: Kiamichi Electric Cooperative, Inc.

CONSUMER OR CUSTOMER: Any person, firm, corporation, or public body receiving electric service from Kiamichi Electric Cooperative, Inc.

MEMBER: Any person, firm, corporation, or public body who has complied with the requirements for membership as provided in the Cooperative's By-Laws, its Terms and Conditions of Service, and has been accepted by the Cooperative's Board of Trustees, and is being supplied electric service by the Cooperative.

GENERAL SOURCES OF AUTHORITY:

The Rules, Regulations and Minimum Standard governing and regulating the operations of electric service utilities adopted by the Oklahoma Corporation Commission, as applicable.

The By-Laws and Articles of Incorporation of Kiamichi Electric Cooperative as approved and amended from time to time by the membership of the Cooperative.

The Policies adopted by Kiamichi Electric Cooperative's Board of Trustees.

Federal and Oklahoma laws applying to the operation of Rural Electric Cooperative.

TERMS AND CONDITIONS OF SERVICE-PART 1

RATES

100-1 APPLICATION OF RATES:

The Cooperative's published rate schedules state the conditions under which each is available for electric service. A consumer may take service at one premise under more than one rate unless the availability of any rate specifically provides otherwise.

100-2 EXCLUSIVE SERVICE ON INSTALLATION CONNECTED TO COOPERATIVE'S SYSTEM:

The standard electric rate schedules are based on exclusive use of Cooperative's service and, except in cases where the consumer has a contract with the Cooperative for auxiliary breakdown or supplementary service, no electric service from another source will be used by the consumer on the same installation in conjunction with the Cooperative's service, either by means of a throw-over switch or any other connection. Auxiliary or stand-by service may be used to assure a continuity of service but must be approved by the Cooperative.

The consumer will not sell the electricity purchased from the Cooperative to any other consumer, company, or person, unless the rate schedule, under which he is served, specifically provides for such resale. The consumer will not be permitted to extend or connect the installation to lines across or under a street, alley, or other public space in order to obtain service for adjacent property through one meter, unless such adjacent property is part of the same business and actually contiguous except for such intervening public space. At the discretion of the Cooperative, the consumer may resell electric energy under the Cooperative's approved tariffs, in instances of very temporary nature or where the physical characteristics of engineering would create a hazardous condition under Cooperative ownership and operation.

100-3 TEMPORARY SERVICE:

A consumer requiring temporary service shall pay the regular rates applicable to the class or classes of service rendered for all energy used. In addition to the applicable rate the consumer will also be required to pay the cost of the installation and the cost of the removal less the salvage value of materials which are retired. A temporary service is defined as a service which will be in use for a period of twelve months or less or which, by its very nature, indicates a short duration.

Consumers disconnecting service and reconnecting at the same location in less than twelve (12) months will be required to pay the minimum bill from date of disconnect in addition to a reconnect fee.

100-4 INTERMITTENT POWER LOADS:

Because of the disturbing influence to the service of other consumers, hoists, elevators, furnaces, welding machines, and other equipment where the use of electricity is intermittent or subject to violent fluctuations, may be served separately or may be served with other light and power equipment at the rate applicable, with the minimum bill modified as follows:

- a. When no special transformer is required, the minimum bill of the applicable rate is to include the connected capacity of the intermittent load.

When the installation of special transformer equipment is required to limit voltage fluctuations on other consumers or to insure proper operation of the equipment, the Large Power or Commercial Rate Schedule shall apply to such service, whichever is the lesser. In this case, the minimum bill as determined under the Commercial Rate Schedule is to be based on the

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connected capacity of the load, but not less than the capacity of the special transformer. If non-inductive equipment is also served from the special transformer, the estimated capacity required for the non-inductive equipment may be subtracted from the total connected load of the special transformer capacity in calculating the figure to be used in determining the minimum bill.

When the expenditure required to furnish service for intermittent power loads is in excess of the amount justified by the expected revenue, the consumer may be required to make suitable payments.

100-4.1 TRANSFORMER TYPE ARC WELDERS:

The Residential and Commercial consumers who are not served by an individual transformer may connect individual transformer type arc welders having a maximum rated primary input current not to exceed 30 amperes for 240 volt operation. The minimum bill of these consumers is to be determined by the schedule under which they are served.

TERMS AND CONDITIONS OF SERVICE-PART 2

GENERAL INFORMATION

200-1 APPLICATIONS:

Every consumer before obtaining service shall execute an application for membership and for electric service (unless waived by the Cooperative). The application for service when signed by the consumer and accepted and approved by the Cooperative constitutes a contract.

A "consumer" or "member" as used here, means an individual, partnership, association, firm, public or private corporation, or governmental agency at a single location receiving one class of service to be used only at the location or premises under his sole ownership or control.

An application must be signed for each service.

Every application for service shall be made in the true name of the consumer desiring the service. In case of violation of this provision, the Cooperative may discontinue service at such location.

The contract for service is not transferable by the consumer, and a new occupant of the premises must sign a new application before service is begun. Membership fees may be transferred to the new occupant by authority from the original consumer.

The applicant must furnish all permits required to enable the Cooperative to supply service, except those for public space.

All contracts for service under the scheduled rates of the Cooperative, except those that make definite exception, are effective for initial periods of one year and are automatically renewed upon each expiration date on a month to month basis unless cancelled by either party. The Cooperative may require a contract for a period of more than one year when the consumer's requirements for power or energy are unusually large, or necessitate considerable special or reserve equipment and in such cases may require payment by the consumer of such charges and amounts as may be necessary to protect the investment of the Cooperative.

The contract shall, at the option of the Cooperative, cease and terminate and all bills for service previously furnished, immediately become due and payable without further notice in case any act of bankruptcy is made or committed by the consumer, or any petition, either voluntary or involuntary, is filed by or against the consumer in bankruptcy.

TERMS AND CONDITIONS OF SERVICE-PART 2

200.2 DEPOSITS AND MEMBERSHIP FEES:

I. RESIDENTIAL AND FARM ACCOUNTS

A Required Deposits

1. New Applicants for Service

A deposit of the larger of one-sixth (1/6) the estimated annual bill or Three Hundred Dollars (\$300.00) will be required except in the following instances:

- a. When the consumer applicant has had an account with Kiamichi Electric for twelve (12) consecutive months out of the last eighteen (18) months, and during those twelve (12) months, service was not terminated for non-payment nor payment of the account late more than twice.
- b. When the consumer applicant at some time earlier than the previous eighteen (18) months has been a consumer of Kiamichi Electric Cooperative, and had a satisfactory credit history or when other circumstances exist that allows waiving all or a part of the deposit requirement in the opinion of the Office Manager.
- c. When the consumer presents a letter from the previous supplier of electricity that their records show the consumer was not late more than twice, nor service disconnected more than once in the previous twelve (12) month period. (If a deposit has already been collected, it will be refunded upon presentation of a satisfactory letter of credit.)

2. Present Consumers

- a. A present consumer shall be required to post a deposit as a condition of continued service if undisputed charges have become delinquent in two out of the last twelve (12) billing periods, or if the consumer has had service terminated for nonpayment during the last twelve (12) months in an amount of the larger of one-sixth (1/6) the estimated annual electric bill or three hundred dollars (\$300.00).

B. Annual Review of Accounts for Deposit Adequacy

On or about June 1 of each calendar year, an annual review of deposits shall commence and be completed by the following June 30th. During this review, deposits shall be refunded if during the preceding twelve (12) months payment of undisputed charges has been "satisfactory". Satisfactory payment will be deemed to have occurred if during the last twelve (12) months payment after the due date has not occurred more than twice.

TERMS AND CONDITIONS OF SERVICE-PART 2

C. Payment of Interest on Deposits

1. Interest on deposits will begin to accrue as of April 16, 1985, or after the payment of the deposit if made after April 16, 1985, at a rate prescribed by the Oklahoma Corporation Commission in its General Rules and Regulation Governing the Operations of Electric Utilities.
2. No deposit held less than 90 days shall accrue interest.
3. No interest will accrue on a deposit after final termination of services.
4. At termination of an account, accrued interest will be applied to bills in the settlement of accounts, or if necessary, a check will be drawn to close the account.
5. On continuing accounts, interest will be determined to June 30th during the annual review of deposits, and applied as a credit to current billing.

II. COMMERCIAL AND INDUSTRIAL ACCOUNTS

A. Required Deposits

1. New Applicants for Service

A deposit of the larger of one-sixth (1/6) the estimated bill or Six Thousand Dollars (\$6,000.00) will be required except in the following instances:

- a. When the consumer, at some time earlier, has been a consumer of Kiamichi Electric Cooperative, and had a satisfactory credit history, or other circumstances exist that allow waiving all or part of the deposit requirement in the opinion of the Office Manager.
- b. If a part of, or all of the deposit requirement is waived in any instance, the consumer may subsequently be required to pay a full deposit if the account becomes subject to termination because of non-payment whether or not actual termination occurs.

B. Payment of Interest on Deposits

1. Interest in deposits will begin to accrue as of April 16, 1985, or the payment on the deposit if made after April 16, 1985, at a rate prescribed by the Oklahoma Corporation Commission in its General Rules and Regulations Governing the Operations of Electric Utilities.
2. No interest will accrue on a deposit after final termination of service.
3. At termination of an account, accrued interest will be applied to bills in the settlement of accounts, or if necessary, a check will be drawn to close the account.
4. On continuing accounts, interest will be determined to June 30th during the annual review of deposits, and applied as a credit to current billing.
5. No deposit held less than 90-days shall accrue interest.

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200-2.3

FEE SCHEDULE

Membership Fee	\$5.00
New Service Connection Fee	\$20.00
Reconnection after Disconnection-During Normal Business Hours	\$75.00
Reconnection after Disconnection-After Normal Business Hours	\$240.00
Trip/Collection Charge	\$60.00
Meter Reading Charge	\$55.00
Meter Seal Charge	\$40.00
Meter Test Charge	\$80.00
Returned/Insufficient Check Charge	\$35.00
Trouble Report-Member Side	\$45.00
Tamper Charge	\$200.00

200-3

SERVICE STANDARDS:

200-3.1

RESIDENTIAL SERVICE RATE FOR SINGLE PHASE SERVICE:

Consumers served under the Residential Rate Schedules shall be furnished single phase service under the following provisions:

- a. Single phase service is standard for farm and residential consumers, and shall be supplied in accordance with line extension policies outlined in Section 500-1. This single phase service shall be provided for individual motors of 10-horsepower or smaller.

200-3.2

COMMERCIAL RATE SCHEDULES – SINGLE PHASE AND THREE PHASE:

Consumers served under the Commercial Rate Schedules shall be furnished either single phase or three phase service as required by the consumer, subject to the following provisions:

- a. Single phase service shall be available for single phase motors with individual capacities of 10-horsepower or less. Single phase service may, at the Cooperative's option, be made available for motors of over 10-horsepower each.
- b. Three phase service shall be available for three phase motors with total capacity of 5-horsepower or more. However, if a Commercial consumer requires three phase service for motors with a total capacity of less than 5-horsepower at a place where three phase secondary service is available at or near the location, the Cooperative may, at its option, permit connection of three motors, provided, however, that the minimum charge shall in no case be less than \$27.50 per month, or the transformer minimum specified in the Commercial Rate, whichever is greater. When three phase service is furnished, the consumer shall so arrange his wiring so that all single phase and three phase service can be taken through one meter.
- c. The taking of single phase or three phase service shall be subject to the provisions of Section 400-5.1 and of the Cooperative's Standard Extension Policy (Part V hereof).

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200-4 BILLING:

The Cooperative shall retrieve meter readings each month through the Automated Meter Reading System installed at the Customers location.

When the meter readings are not received by the Cooperative, or readings are unavailable in circumstances beyond the Cooperative's control, within reasonable advance of the scheduled billing process, the consumer will be billed on an estimated consumption based on the best information available and the billing will be adjusted when the meter is read. In the event that a meter reading is not received through the automated meter reading system the Cooperative shall send an employee to read and check the meter, but if the meter is not accessible due to the Consumer and the employee has to make a second trip out to read and check a meter then the Cooperative will read the meter and charge the consumer as prescribed in Section 200-2.3 for this service.

Whenever the Cooperative is called upon to furnish two or more meter installations per consumer, each such installation will be considered a separate point of delivery, and charges are to be calculated separately therefore.

Whenever the Cooperative furnishes two or more metering installations per consumer, at the Cooperative's sole option, in lieu of one delivery point metering, for purposes which may serve the Cooperative's best interest for economy or service considerations, the Cooperative shall combine the readings of the multiple meters and compute the charges for such service as though it were metered at one point.

Bills are payable not later than 10-days after the day the bill was mailed to the consumer by the Cooperative.

When the consumer requests discontinuance of service, bills for vacating premises, special bills, or removal bills, except bills for nonpayment, they shall be processed and billed within thirty (30) days from the first of the following month.

- All bills are to be paid at the office of the Cooperative or at an authorized Cooperative collection agency, within the time specified above. Consumers applying for electric service will be required to pay a connection fee as prescribed in Section 200-2.3 for each connection of an electric service.

The Cooperative may mail to the consumer at the address shown on the application for service or change of address order, a bill for electricity delivered hereunder; however, the Cooperative reserves the right to adopt other methods of delivering bills.

Failure to receive a bill in no way exempts the consumer from payment for service.

200-4.1 AVERAGE MONTHLY PAYMENT PLAN (AMP)

A. Availability:

Available to all residential consumers as an optional payment plan subject to the following provisions.

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- B. Eligibility:
1. To be eligible to participate in this plan, a consumer must have twelve (12) months billing history at the service location involved.
 2. The consumer must not have been late in paying his account after the due date more than twice during the preceding twelve (12) months.
 3. The consumer's account must be currently paid in full at the time participation in the plan commences.
 4. Any consumer who requests and enters the plan may be removed from it should the account, at any time, become subject to termination for nonpayment.
- C. How the Plan Will Work:
1. A consumer desiring to use the plan shall make request to be allowed to use this optional payment plan.
 2. The Cooperative will allow use of the monthly payment plan if the consumer meets and continues to meet the eligibility requirements.
- D. How Preparation of Bills Occur
1. The average monthly payment amount shall be based on the current month's billing, including any applicable taxes and unpaid balance from prior months, plus the eleven (11) preceding monthly bills, divided by twelve (12). This average shall be re-calculated each month in this manner.
 2. The monthly bill will be based on the applicable rate, and the current actual or estimated meter readings to determine usage.
- E. Full Settlements
1. A full settlement of the account shall occur when participation in the plan is ended. This occurs at the request of the consumer or Kiamichi Electric Cooperative.

200-5 DELINQUENT BILLS

All bills for payment of electricity will become delinquent in accordance with OAC 165:35-19-32 and a one and one-half percent (1.5%) late payment charge shall be applied to any unpaid balance due to the Cooperative. The Cooperative may discontinue service and remove the meter for such delinquency in accordance with OAC 165:32-21 as issued by the Oklahoma Corporation Commission. A Collection Fee, as prescribed in Section 200-2.3, will be charged for collection of delinquent bills or for a 48-hr notice made by a collector.

If service is disconnected because of nonpayment of a bill or for any other reason which may have been outlined in OAC 165:35-21, the Cooperative will make a charge to the member a Reconnect Charge, as prescribed in Section 200-2.3 for the electric service.

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If a consumer pays a bill by personal check and the check is returned by the bank for insufficient funds or absence of account, the Cooperative shall add a Returned Check fee, as prescribed in Section 200-2.3 as a service charge. The Cooperative shall allow one (1) business day for the consumer to make payment in cash, a cashier's check or money order or a check from a social service agency before discontinuing the service for a dishonored negotiable instrument.

The Cooperative will restore electric service in accordance with the Rules and Regulations which have been previously referenced. If a consumer requests connection or re-connection of an electric service at times other than those which are specified in OAC 165:35-21, the consumer will be charged a Reconnection Fee as prescribed in Section 200-2.3 to cover a portion of the additional costs of the services performed.

The Cooperative reserves the right to refuse to furnish electric service to a consumer, at any location, until all delinquent bills of such customer, which were generated under a like classification, have been paid in full.

200-5.1 TROUBLE REPORT CHARGES

If a consumer reports an outage of electric service and the Cooperative maintenance man finds that the problem is on the consumer's side of the meter, the consumer will be charged a Trouble Report-Member Side fee, as prescribed in Section 200-2.3, to defray a portion of the Cooperative's cost for the call on the account. This shall include cases where the consumer reports an outage and the maintenance man finds that the service has been restored upon his arrival or cases where the consumer has a problem in their wiring that has thrown the breaker on their service.

200-5.2 METER SEALING CHARGES

If the Cooperative finds that a consumer has cut and/or removed the meter seal, the consumer will be charged a Meter Seal Charge fee, as prescribed in Section 200-2.3, for the replacement of the meter seal.

Consumers or their electricians may remove seals for work on their electric service if they obtain prior approval from the office of the Cooperative.

Consistent removal of meter seals will be considered as diversion of electricity and will be treated accordingly.

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200-5.3 PREPAID ACCOUNTS/BILLING

- A. Availability:
1. Prepaid service is available to all residential and commercial members as an option, or in instances when the Cooperative considers it necessary, subject to the following provisions:
- B. Eligibility:
1.
 - A. The member's account must be paid in full when participation commences or;
 - B. at the sole discretion of the Cooperative, and with prior approval from the Cooperative's Customer Service Supervisor, Chief Financial Officer or Chief Executive Officer, member may be allowed to participate with an amount owing (Past Due/Bad Debt) the Cooperative.
 2. The member must pay all applicable fees and charges prior to commencement of the service.
- C. Initiation:
1. A member must complete and sign a Prepaid Service Agreement that outlines the service and demonstrates the member understands the service.
 2. The Cooperative will allow enrollment into the Prepaid Service if the account meets the Availability and Eligibility requirements.
 3. The Cooperative will waive section 165:35-19-10 Deposits and Interest, of the Cooperative's Rules of Service and Board Policy 13, Membership Fees and Deposit, Section I and Kiamichi Electric Cooperative's Terms and Conditions of Service 200-2.1.
 4. A membership fee is required as prescribed in Board Policy 13, Membership Fees and Deposit and member must complete an Application for Service as prescribed in the Cooperative's Terms and Conditions of Service 200-1.
 5. In the event a current member opts for the Prepaid Service and the member's account has a deposit applied, said deposit will be credited to member's energy usage and any associated fees that are required. If the deposit amount does not provide a credit amount to the Member's account, the member must pay on the account to provide a twenty-five dollar (\$25.00) credit.
 6. For new accounts or accounts that are to be reconnected after disconnection, a minimum of twenty-five dollars (\$25.00) is required for energy usage to activate an account. For new accounts, in addition to the minimum amount required for energy usage, the member must also pay in advance a connect fee as prescribed in Term & Conditions of Service 200-4 and KEC Board Policy 16. For accounts being reconnected after disconnection, in addition to the minimum amount required for energy usage the member must pay in advance, fees prescribed in Terms & Conditions of Service 200-5.
 7. Payment at remote locations will be deemed paid only when the payment is received at Kiamichi Electric Cooperative's headquarters.
 8. Energy Assistance or Trustee monies will be applied to the prepaid account once payment is received. Pledges will not be accepted to keep electricity on.
 9. If a returned check or chargeback is received on the prepaid account, the amount of the return and a returned item fee as prescribed in the Cooperative's Terms and

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Conditions of Service 200-5 will be charged to the member's account immediately. If this causes the credit on the account to be exhausted, service will be disconnected within 24 hours. The Cooperative has the right to decline payment by check, electronic or otherwise, if member meets provisions set forth in the Terms and Conditions of Service section 165:35-19-32.

10. Electric Service will be subject to immediate disconnection if at any time the prepaid account does not have a credit balance. Prepaid accounts are not eligible for payment arrangements or Average Payment Plan.
11. Energy statements will not be produced for prepaid account holders. Prepaid account holders will not be subject to Kiamichi Electric Cooperative's Rules of Service section 165:35-21-20, concerning Delinquent and Disconnection Notices. Energy usage along with account charges and credits can be viewed at the Cooperative's website, www.myusage.com or via the Interactive Voice Response System (IVR). Notices of account activity and Disconnection will be delivered to member by e-mail or IVR. Delivery method will be chosen by member and it will be the responsibility of the member to keep delivery method current.
12. If at any time, a prepaid account holder wants to convert the prepaid account to a regular billed account; a deposit may be required as prescribed in Kiamichi Electric Cooperatives Terms and Conditions of Service 200-2.1, Kiamichi Electric Cooperative's Board Policy 13 and Kiamichi Electric Rules of Service 165:35-19-10.

D. Past Due/Bad Debt Collection:

1. If the Cooperative elects to allow a member to participate with a balance owing to the Cooperative as described in Section B. 1. B above, the amount of any payment is to be applied to the Past Due/Bad Debt in the amount equal to fifty percent (50%) of said payment.

E. Usage Calculation:

1. The prepaid account will be calculated each day and reconciled once per month using the applicable rate and the applicable adjustments appropriate for that month.

F. Full Settlement:

1. A full settlement of the account shall be made when participation in the service ends and the account is final billed within the billing cycle the account resides.

200-6 FRAUDULENT USE OF CURRENT

In the event fraudulent use of current, or evidence attempted fraudulent use of current, such as tampering with metering equipment, breaking of meter seals, jumpering of meter equipment or service wiring, is discovered, the Cooperative shall have the right to discontinue service without notice to the consumer. Service will not be resumed to the consumer until such consumer shall have paid all bills including the charges for current fraudulently consumed. The estimated charge for the fraudulent energy shall be computed in accordance with Corporation Commission Rule 40. The consumer may also be charged for any damage to the meter or metering equipment plus a Tamper Charge and Reconnect Charges as prescribed in Section 200-2.3. The

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Cooperative may waive penalties for apparent fraudulent use of electric energy if it can be shown to the satisfaction of the Cooperative that the consumer had no connection with, or knowledge of, such fraudulent use of current.

200-7 METER TESTING

Upon receipt of written request from a consumer, the Cooperative will test a consumer's meter within twenty (20) days from the date the request for a test of the meter is received.

No charge will be made for a meter test requested by the consumer unless the meter is found to test within limits of accuracy prescribed by these rules in which case the Cooperative may make a Meter Test Charge as prescribed in Section 200-2.3 to the consumer.

If the accuracy test requested by the consumer is the first test for accuracy which the consumer has requested there shall be no charge even though the meter tests within the limits of accuracy as prescribed by the Oklahoma Corporation Commission.

When a consumer makes a request for an accuracy test of their meter, they will be given the option of having a parallel meter installed on the account for a period of time in which the kilowatt hour usage of the two meters can be given a fair comparison.

The consumer may be present, at their request, at the installation and removal of the parallel meter. The consumer will also be provided with connect and disconnect information on both meters for the period in which they were installed in parallel.

If the consumer requests that the meter be tested on a Meter Standard, a written report stating the name of the consumer requesting the test, the date of the request, the location of the premises where the meter has been installed, the type, make, size and serial number of the meter, the date of removal, the date tested and the result of the test shall be supplied to such consumer within ten (10) days after the completion of the test.

200-7.1 ADJUSTMENT OF BILLS FOR METER ERROR

A. Fast Meters

Whenever any meter tested by the Cooperative or its agent is found to have an average error of more than two percent (2%) fast (or in favor of the Cooperative), the Cooperative shall refund to the consumer the overcharge based upon the previous test, but not to exceed six (6) months unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the overcharge shall be computed from that date.

B. Slow Meters

Whenever any meter tested by the Cooperative or its agent is found to have an average error of more than two percent (2%) slow (or in favor of the consumer), the Cooperative may charge for the electricity consumed but not included in bills previously rendered, based upon the corrected meter reading for a period equal to one-half of the time elapsed since the last previous test, but not to exceed six (6) months, unless it can be

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established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case, the charge shall be computed from that date.

C. Non-Registering Meter

If a meter is found not to register or to register intermittently for any period, the Cooperative may charge for an estimated amount of electricity used, which shall be calculated by averaging the amounts registered over corresponding periods in previous years or in the absence of such information over similar periods of known accurate measurement preceding or subsequent thereto.

D. Incorrect Register, Connection of The Meter Or Multiplier On Meters

If a meter is found to have an incorrect register, connection, multiplier, or constant, the error shall be corrected. Where the error is adverse to the consumer, the Cooperative shall refund the excess charge for the amount of electricity incorrectly metered over the period of time the meter was used in billing the consumer. Where the error is adverse to the Cooperative, the Cooperative shall charge the consumer the undercharge for the amount of electricity incorrectly metered for the period of time the meter was used in billing the consumer and, if necessary, the Cooperative shall receive payment in installments over a reasonable period of time.

200-7.2 OTHER ADJUSTMENTS OF BILL

Other appropriate adjustments in meter readings and on bills rendered for electric energy may be made under the following circumstances:

- A. When meter readings are incorrectly reported.
- B. For estimated readings that are later found to vary considerably from the actual usage.
- C. When meter cards or payments were mailed on time according to the member's statement and there is no evidence to the contrary.
- D. When there is a charge of residents at a location without the meter being removed and there is a question about the final or beginning readings.

200-8 ACCESS TO METERS AND LOCATION OF METER

A. Access to Meters and Other Property

The Cooperative shall, at all reasonable times, have access to meters, service connections and other property owned by it on a consumer's premises. Refusal on the part of the consumer to provide reasonable access for the above purposes shall be deemed to be sufficient cause for discontinuance of service on the part of the Cooperative, after a notice, as provided in the Rules of Discontinuance of Service for Non-payment of Bills. The Cooperative will provide its employees with a means of identification in order to claim the right of access.

B. Location of Meter

Where a meter is installed outdoors, it shall be placed on the exterior of a building or on a support pole in a location readily accessible to authorized Cooperative representatives for meter reading and maintenance. The meter shall not be placed in a location where it

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may be accidentally damaged or at a location on a building where it will cause inconvenience either to the consumer or the Cooperative's representative.

The meter shall be installed not more than five and one-half (5 ½) feet or less than two and one-half (2 ½) feet above the ground level measured from the center of the meter cover.

No residential meter shall be installed inside the residence unless agreed upon by the Cooperative and the consumer. Any meter which is installed indoors shall be located where it will be readily accessible to authorized Cooperative personnel for meter reading and maintenance. An indoor meter shall not be located in a hazardous location nor in a location where accessibility is difficult. An indoor meter shall be installed not more than five and one-half (5 ½) feet and not less than two and one-half (2 ½) feet above floor level measured from the center of the meter cover.

C. Relocation of Meter

The Cooperative may, at its option and expense, relocate any meter, except that in case of a relocation which is made necessary due to inaccessibility or hazardous location caused by the consumer, dangerous conditions including bad dogs or in order to prevent a recurrence of tampering or unauthorized diversion of service.

If any of the above circumstances apply, the consumer shall, at their expense, relocate the meter loop and service entrance facilities to a location agreeable to the utility and consumer. If no location can be agreed upon the Corporation Commission will designate the location upon request by either party.

200-9 CONSUMER'S RESPONSIBILITY

The consumer will be responsible for all damage to, or loss of, the Cooperative's property located upon his premises unless occasioned by causes beyond his control and consumer shall not permit anyone who is not an agent of the Cooperative to remove or tamper with the Cooperative's property including the metering equipment.

200-10 HOUSE MOVING

Where a house or structure is to be moved along roadways over which electric wires are strung, the Cooperative must be advised of the route over which the house or structure is to be moved and a suitable deposit made to cover the cost of providing for clearance of wires. In no case shall anyone other than authorized employees of the Cooperative remove, cut, raise or handle any wires in connection with the moving.

200-11 CONSUMER'S WIRING – NATIONAL ELECTRICAL CODE

In accordance with Corporation Commission Rule 29, the Cooperative shall install, maintain, own and operate all necessary electrical equipment up to the point of delivery. The point of delivery shall be the meter base or the weather head on the meter loop whichever is applicable for the consumer to receive a proper electrical service. All electrical wiring and equipment furnished by the Cooperative installed on the consumer's side of the point of delivery shall be at the consumer's expense and shall be installed and maintained by the consumer in accordance with the latest edition of the National Electrical Code as approved by the American National Standards Institute and with all requirements prescribed by the governmental authority having jurisdiction. In event of conflict between the National Electrical Code and an applicable Municipal Code, the latter shall prevail.

TERMS AND CONDITIONS OF SERVICE-PART 2

The Cooperative shall have no duty to conduct inspections of electrical wiring and equipment except for such wiring and equipment which is installed, owned or controlled by the Cooperative.

200-12 CONTINUITY OF SERVICE

The Cooperative will use reasonable diligence to supply steady and continuous electric service at point of delivery, but will not be liable to consumer for any damages occasioned by irregularities or interruptions. These irregularities shall include an Act of God, inability to secure right-of-way or other permits needed, public enemy, accident, strikes, labor trouble or required maintenance work.

The Cooperative may, without further notice, discontinue service to any consumer when a defective condition of wiring or equipment upon the premises of the consumer results, or is likely to result, in danger to life or property, or interference with proper service.

In order to make repairs to or changes in Cooperative's facilities for supplying electric service, the Cooperative reserves the right, without incurring any liability therefore, to suspend service without notice to the consumer for such periods as may be reasonable necessary. The Cooperative shall provide necessary training for personnel to expedite the restoration of electric service and to shorten service interruptions where it is reasonably possible to do so.

200-13 MODIFICATION OF TERMS AND CONDITIONS OF SERVICE

No agent, representative or employee of the Cooperative shall have authority to modify the Terms and Conditions as stated herein, however, the Cooperative shall have the right to amend these Terms and Conditions or to make additional Terms and Conditions as it may deem necessary from time to time, subject to their approval by the Board of Trustees and by the Oklahoma Corporation Commission or any other body having jurisdiction.

TERMS AND CONDITIONS OF SERVICE-PART 3

ELECTRIC SERVICE REGULATIONS

These regulations are to provide for the safety of the public and for dependable electric service.

300-1 OVERHEAD DISTRIBUTION SYSTEM

The minimum requirements for the construction of overhead electric facilities shall be the latest issue of the National Electrical Safety Code.

Terms and Conditions for extending electric facilities to consumers will be those which are outlined in Part V which contains the Standard Terms and Conditions for Line Extension for the Cooperative.

300-1.1 POINT OF DELIVERY

The point of delivery shall be the point at which the lines of the Cooperative connect to the lines of the consumer. This point will ordinarily be one of the following:

- A. If the consumer is served with an overhead service from a meter loop placed on a pole, the point of delivery shall be the weatherhead at the top of the meter loop.
- B. If the consumer takes the service on the building, or takes an underground service from a meter pole, the point of delivery will be the load side of the meter base.
- C. Consumer Protection Requirements

If the consumer requires an electric service, which connects to the Cooperative's property at the meter base, either for an underground service or for a mobile home service, the consumer will be required to install a breaker disconnect switch below the meter base.

The breaker disconnect switch will be the property of the consumer and must be installed prior to energizing the electric meter which will serve the consumer's account.

- D. The Cooperative will make connection of the consumer's electric service to the Cooperative's facilities without charge to the consumer. If, however, the Cooperative is required to extend the overhead conductors of the consumer to provide the electric service, the consumer will be charged the cost of the installation of the electric service which is beyond the point of delivery of the Cooperative.
- E. Service entrance conductors which are provided by the consumer must be of adequate size to meet the requirements of the National Electrical Safety Code for the load being served. No service entrance conductor which serves a residential account shall be smaller than No. 8 stranded copper conductor.

300-2 UNDERGROUND SERVICE

Underground electric facilities which are installed by the Cooperative shall be installed in accordance with the requirements of the latest edition of the National Electrical Safety Code.

300-2.1 SINGLE PHASE UNDERGROUND ELECTRIC SERVICE TO INDIVIDUAL HOUSE OR HOUSING PROJECT

- A. Underground electric service will be provided at the request of the consumer in accordance with the Terms and Conditions as outlined in 500-1.2, f.

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- B. All underground installations will be constructed in accordance with the National Electrical Safety Code. This installation will include markers which show the existence of an underground electric facility.
- C. Where electrical conductors cross under a paved or surfaced area, such as a street, driveway, play area, etc., or under a building which is in existence or proposed to exist, the consumer shall install a conduit of necessary size and capacity to allow the conductor to be pulled through. The conduit size shall be as required by the Cooperative. The conduit shall extend at least three (3) feet beyond the edges of the surfaced area under which it is installed.
- D. The Cooperative will own, provide and install all electric conductors, transformers, transformer pads, meters and meter pedestals as may be necessary to provide the electric service for the consumer.

TERMS AND CONDITIONS OF SERVICE-PART 4

MOTORS, WELDERS, AND OTHER EQUIPMENT

400-1 AVAILABILITY OF SERVICE

The type of electric service which will be furnished the consumer will depend on the location, size, and type of load to be served.

400-2 PRIMARY SERVICE

The Cooperative will furnish primary service for large loads in accordance with the Line Extension Policies which are contained in the 500 Section of the Terms and Conditions of Service. The Cooperative may also require the consumer, or his architect or contractor to submit plans and specifications for approval of the Cooperative's Engineers before the work is begun.

400-3 VAULTS FOR COOPERATIVE-OWNED EQUIPMENT

When an indoor installation of transformers or other equipment is required by the consumer, or when the condition of this property is such that an outdoor installation is impracticable, the consumer shall furnish upon his property, without cost to the Cooperative, a building, room or vault adequate for the housing of this equipment. This space shall meet the requirements of the National Board of Fire Underwriters and the Cooperative.

The consumer shall furnish, without cost to the Cooperative, right-of-way for the Cooperative's services, where they are required to cross private property in order to serve such consumer.

400-4 MOTORS AND EQUIPMENT – GENERAL

In order that service to residential consumers may not be unduly affected, the following limitations on motor starting current, type and size of motors and other current using equipment is required.

For usual applications, the Cooperative will provide single phase, 120/240 volts 60 cycle service from available circuits in accordance with the Terms and Conditions for Line Extension contained in Section 500.

Three phase electric service will be made available to consumers in areas where three phase facilities are in existence and in accordance with the Terms and Conditions for Line Extension. Three phase service will be made available at any standard three phase voltage which can be obtained from the existing electric facilities. Any consumer contemplating a request for a three phase electric service should contact the Cooperative's representative to secure written information relating to the character and quantity of service available at the location of such proposed installation.

400-5 MOTORS

400-5.1 ALLOWABLE MOTOR STARTING CURRENTS ON COOPERATIVE SYSTEM

Definition: Starting current is defined as the locked rotor current at nameplate voltage.

- A. Individual motors, or groups of motors starting simultaneously, served from a 120 volt single phase circuit shall have starting currents not to exceed 50 amperes.
- B. Motors served from a 240 volt single phase circuit shall have starting currents not to exceed 200 amperes. Groups of motors starting simultaneously shall be classed as one

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motor. Larger starting currents may be permitted where the Cooperative's facilities permit; and the motor, or group of motors, is of acceptable starting design. In the case of thermostatically controlled air conditioning and heat pumping equipment, a time delay device to prevent simultaneous starting of the compressor motor and the associated fan motors is desirable and may be required.

- C. Motors served from 208 volt Wye and 240 volt delta three phase circuits shall have starting currents not to exceed 200 amperes. Groups of motors starting simultaneously are classed as one motor. If the consumer's demand, including the proposed installation, is greater than 100 KVA, the permissible starting current may be increased one ampere for each KVA of demand in excess of 100 KVA but in no case may the total exceed 1,000 amperes.

400-5.2 MOTOR STARTING DEVICES

- A. A motor may be started across-the-line if the starting current does not exceed the limits given above.
- B. Part-winding type motors may be used to reduce starting currents to the above limits.
- C. Compensator type starters may be used for motors requiring higher starting currents, provided the current taken on either the starting or the running step and measured on the line side of the starter does not exceed the limits listed.
- D. Where the limitations in A., B., and C., above, cannot be met, the consumer shall confer with the Cooperative to determine requirements for an acceptable installation.
- E. If a consumer installs an electric motor which exceeds the requirements outlined in 400-5.1, and the starting of the electric motor or operation of the electric motor creates problems for other consumers receiving service on the same electric line, the Cooperative may require the consumer to install capacities or such other protective device as necessary to eliminate the problems. If the consumer does not install such equipment, the Cooperative may install this equipment and charge the costs of the equipment and the installation to the consumer.

400-6 WELDERS

The welder transformer used as a part of the transformer type arc welder shall be of the double winding type and the secondary shall be thoroughly insulated from the primary.

The final or stable short-circuit primary current for any transformer type arc welder for any welding current setting shall not exceed 150% of the rated primary input current.

When transformer type resistance welders are being considered for rate application purposes, 1,000 volt-amperes (1 kilovolt-amperes) 50% duty cycle rating will be considered as the equivalent of one horsepower.

Individual transformer type arc welders for 208 or 240 volt, single phase-connection, whose rated primary input current does not exceed 30 amperes will be permitted at any point where electrical service is available.

Large welders shall be operated in 208, 240, 480, 2,400, or 4,160 volt service, and may be connected only upon special application and arrangements for service.

TERMS AND CONDITIONS OF SERVICE-PART 4

400-7 RADIO

Radio and television stations which accept an electric service from the Cooperative may be required to accept intermittent outages which are beyond the control of the Cooperative or are a necessity for the Cooperative to repair electric facilities. The consumer which cannot accept this type of outage will be required to install back-up generating capacity with automatic control devices which will automatically disconnect the service from the electric facilities of the Cooperative and begin providing their own generated power until such time as the Cooperative is able to restore the electric service. Amateur transmitting stations in which the energy change during keying exceeds 500 watts shall not be connected to house lighting services. Special service for such installation may be secured by making application to the Cooperative's office.

In no case shall radio transmitting or receiving aerials be attached to the Cooperative's poles or be allowed to cross the Cooperative's electric lines.

400-8 CURRENT FLUCTUATION CONTROL

In cases of hoists, elevators, furnaces, welding machines and other equipment where the use of electricity is intermittent or subject to violent fluctuations, the Cooperative reserves the right to have the consumer install, at his own expense, flywheel motor generator or other suitable equipment to reasonably limit such intermittent fluctuations.

400-9 PROTECTIVE CONTROL EQUIPMENT

Reverse phase relays and circuit breakers, or similar devices, are required for all polyphase elevator installations, cranes and similar services to protect the installation in case of phase reversal or phase failure. Should special cases seem to warrant an exception to the above rules, the Cooperative may, after an investigation, make such exception. In all cases, the consumer shall install and maintain the devices necessary to adequately protect his equipment and process during periods of abnormal service conditions or the failure of part or all of the service supply.

TERMS AND CONDITIONS OF SERVICE-PART 5

STANDARD EXTENSION POLICY

500 **GENERAL**

The standard extension policy is one part of the Cooperative's general body of rules and regulations governing the furnishing of service to its members and consumers. The standard extension policy should be considered in conjunction with the provisions of the Cooperative's various rate schedules and other provisions of the Terms and Conditions of Service. The application of the Extension Policy to the various situations and types of consumers is outlined below. This supersedes all previously issued directives concerning the extension policy.

500-1 **RESIDENTIAL SERVICE:**

Permanent residences within the service area of the Cooperative, or within a municipality served by the Cooperative, shall be served by the Cooperative at the applicable residential rate for such service through an extension of overhead lines necessary to provide such service.

A permanent residence is defined to mean any residential dwelling containing complete kitchen facilities for each dwelling unit with normal occupancy on a permanent year-round basis. This will include mobile homes located on permanent foundations with wheels and axles removed.

An immediately accessible, potable water supply and septic facilities which have been approved by the Oklahoma State Health Department, must be available.

Not included in the term permanent residence are: motels, rooming houses, weekend cabins, trailer houses, RV camper trailers, and mobile homes not meeting requirements described above.

500-1.1 **FREE EXTENSION:**

The Cooperative shall furnish and install, as needed, up to 300 feet of overhead electric line or to 150 feet of underground electric line which excludes costs associated with the trenching of rock per permanent residence, without cost to the applicant. In cases where the service requested warrants a combination of overhead and underground lines, the cost furnished by the Cooperative will not exceed the calculated cost of constructing 300 feet of overhead line. Applicant who cannot meet the requirements of 500-1 will be allowed to deposit with the Cooperative the estimated cost of construction as a builder's deposit. As soon as the applicant has met the requirements of 500-1, any remaining balance of the prepayment will be refunded. The estimated costs made as prepayment will not include transformer and meter costs but will include installation and retirement labor costs.

500-1.2 **EXTENSIONS ABOVE FREE LIMIT**

If the extension of electric lines necessary to furnish service to an applicant is greater than specified in paragraph 500-1.1 above, the Cooperative shall provide electric service under the following conditions for single phase loads up to 1,000 kW. Loads of 1,000 kW and above shall be served subject to Section 500-4.

- A. The Cooperative shall require the applicant to deposit the cost of the extension over the free limit upon execution of the Purchase of Power Agreement. Whenever such deposit is

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- made, the Cooperative will continue to allow a free extension of 300 feet for overhead lines or 150 feet of underground lines excluding trenching of rock for any consumer connected to this electric line. If any part of the free extension is a part of this electric line, the Cooperative will refund that portion of the prepayment. The new consumer added to the line will also be required to pay a prorate share of the cost of the original line. This payment shall be refunded to the original consumer. The proration shall be based on the length of the shared portion of the line. The requirement to share the cost shall have a term of five years from the date of original connection. The total of the refunds shall not exceed the original cost of the line. At the conclusion of the five year term any remaining balance of deposit shall become the property of the Cooperative. No interest shall be paid by the Cooperative to the depositor.
- B. In lieu of extension, pursuant to subparagraph "a" above, the Cooperative may contract to make an extension above the free limit. The contract shall make provision for a monthly line extension charge. The monthly line extension charge shall be in addition to and separate from those charges made pursuant to the applicable rate schedule. The monthly line extension charge shall be equal to the construction cost, as determined in subparagraph "d" below, divided by the term (number of months) of the contract. The monthly line extension charge shall terminate upon expiration of the term of the contract. The Cooperative may refuse any contract that does not provide full protection for the investment of the Cooperative.
- C. Electric service to a platted residential subdivision, where the developer wants a large portion or all the electric distribution system installed at one time, shall be provided under the following terms:
- (1) The developer shall deposit with the Cooperative a sum equal to the estimated cost of the project under the terms of a five (5) year contract. Such deposit shall be paid to the Cooperative before construction is started on the extension to serve subdivision.
 - (2) No interest shall be paid on the sum of money deposited with the Cooperative.
 - (3) Once each year for a period of five (5) years the Cooperative shall refund to the developer – for each residential house constructed during the year – a sum equal to the total cost of service divided by the total number of platted and developed lots in the subdivision or the applicable cost of the free residential extension, whichever is less. In no case will the amount refunded exceed the amount paid to the Cooperative. At the end of the five (5) year term, any portion of the original deposit that has not been refunded to the developer shall become the property of the Cooperative.
 - (4) The Cooperative may enter into a contract with a developer for a guarantee of revenues in lieu of the construction deposit. The contract shall require protection for the Cooperative's investment through a bond, bank letter of credit or other acceptable security.
 - (5) Each residence shall be served through an individual meter on the exterior of the residence at the location acceptable to the Cooperative.
 - (6) Prior to any actual construction of Cooperative electric service facilities to the subdivision, the developer shall furnish the Cooperative with a copy of the

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platted subdivision showing street, sewer and utility layout and easements, along with any other information needed in the design and location of Cooperative facilities.

- (7) The developer of the subdivision shall furnish, at no cost to the Cooperative, any easements on the property necessary to provide electric service.
- (8) Underground service shall be provided in accordance with the Cooperative's underground policies.
- (9) Each residence served in the subdivision shall be billed under the applicable residential rate schedule.
- (10) Where the development or subdivision is not unduly speculative and will be developed in a step-by-step manner, the Cooperative may, for gains in efficiency of construction, waive the above deposit requirement and install the entire electrical distribution system at one time.

D. Determination of Cost

In arriving at the length of electrical line extension necessary to render service at any point, the distance from the point of delivery to the nearest electric distribution line shall be measured along lines of probable construction and shall be measured from the center of the property last served, in cases of subdivision, or from the nearest electric distribution line to the point of delivery. In determining the amount of deposit which shall be made by the applicant on an extension to be made under this section, the total construction cost of the extension shall first be determined in accordance with the approved classification of accounts for electric Cooperative utilities, and from which total construction costs there shall be deducted:

- (1) Costs incident to any increase in the size of electric line in excess of that necessary to provide adequate and satisfactory service; costs incident to future expansion or to continue a construction plan of the Cooperative; and costs necessary to correct inadequate capacity.
- (2) The total construction cost of that portion of the extension constituting a free extension, which includes meter, meter loops and transformers.

E. Every extension shall at all times be the property of the Cooperative, regardless of whether a deposit of contribution in aid of its construction is made. If, at any time during the terms of the contract, the consumer shall default by withdrawing as a permanent resident, any unused portion of the deposit shall become a contribution in aid of construction and remain property of the Cooperative. Any deposit shall not draw interest.

F. Applicants for electric service who desire an underground extension will be served under the following terms:

- (1) As described in Section 500-1.1
- (2) When authorized by Kiamichi Electric Cooperative the applicant shall have the option to open the trench to the depth required by the National Code, bed the cable in soft dirt or sand, and close the trench. The Cooperative will install up to 150 feet of conductive cable and make all underground splices or connections as

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required. The actual cost in excess over 150 feet of underground cable and installation shall be paid by the applicant.

- (3) When the trenching of ditch involves digging into and/or through rock, the applicant will be required to reimburse the Cooperative for that amount incurred for such trenching. This will include any amounts within the Free Extension as described in Section 500-1.1.
- (4) All other terms for installation of underground electric service shall be the same as the terms for overhead installations unless described in previous sections.

500-2 TEMPORARY SERVICE

See 100-3 in Section I

500-3 SERVICE OTHER THAN RESIDENTIAL UP TO 1,000 kW:

This type of service will meet the same requirements as outlined for temporary service (500-2). This shall include service to water pumps, electric fences, barns or outbuildings, weekend cabins, deer cabins, RV campers and all other non-permanent residences as defined in section 500-1.2 (b). An acceptable contract must provide for the security of the Cooperative's investment.

500-3.1 SERVICE TO SMALL COMMERCIAL ACCOUNT

The consumer will be required to deposit with the Cooperative the full cost of the construction of the electric service extension (reference 500.1.2 (D)). A cost differential will be calculated based on an annual estimate of revenues less an annual estimate of the cost of wholesale power. A refunding allowance will be calculated by a multiplication by 3 of the cost differential less the deposit to be returned to the consumer in equal installments over a thirty-six (36) month period. However, in no case will the allowance result in a return of an amount greater than the deposit.

Example:

(1)	\$1,600.00	annual revenues
	<u>-1,100.00</u>	annual power cost
	\$ 500.00	cost differential
	\$500.00 x 3 = \$1,500.00	
	<u>-1,000.00</u>	Deposit required
	\$ 500.00	Refunding allowance

Since allowance is less than deposit

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\$500.00 ÷ 36 = \$13.89 to be refunded monthly.

(2)	\$5,000.00	annual revenues	
	- <u>4,000.00</u>	annual power cost	
	\$1,000.00	cost differential	
	\$1,000.00 x 3 = \$3,000.00		
		<u>1,000.00</u>	Deposit required
		\$2,000.00	Refunding allowance

Since allowance exceeds deposit

\$1,000.00 ÷ 36 = \$27.78 to be refunded monthly

An adjustment to the refund allowed will be made if the actual revenue less the actual average cost of wholesale power for the first twelve (12) months service is determined to be 20% greater or lesser than the estimate on which the refund is based. Consumers ending service prior to the thirty-six (36) month period will forfeit any refund for months not in service.

The Cooperatives may accept in lieu of deposit contracts or other assurances of payment for any portion of the cost not to exceed the cost differential times three (3).

500-4 LOADS OF 1,000 kW AND ABOVE:

The Cooperative will provide electric service to loads of 1,000 kW and above in accordance with REA Bulletin 112-6 or subsequent issues, subject to approval, when required of the Rural Electrification Administration, and other concurrent mortgagee. Each such load shall be served under a special contract for Purchase of Power Agreement.

Any contract for a large power load, which requires a rate that differs from an existing approved rate, shall be subject to the approval of the Commission.

500-4.1 ALLOWABLE INVESTMENT:

- A. The Cooperative may require the applicant to pay, as a contribution, the cost of line extension or conversion necessary to provide an adequate service, prior to the construction of the service.
- B. In lieu of the prepaid contribution in subparagraph "a", above, the Cooperative may contract to make the extension. The contract shall make provision for a monthly line extension charge. The monthly line extension charge shall be in addition to and separate from those charges made pursuant to the applicable rate schedule. The monthly line extension charge shall be equal to the cost of the extension divided by the initial term (number of months) of the contract. The monthly line extension charge shall terminate upon the expiration of the initial term of the contract. The security of the Cooperative investment must be assured by bond, a bank letter of credit or other acceptable means.

In lieu of extension under subparagraph "a" or "b", above, the Cooperative may contract for line extension based on estimated revenues less cost of power. If the net revenues are sufficient to amortize the cost of the line extension over a three year period, the Cooperative may then

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contract the line extension for a five year term. Cooperative security on the investment will be the same as outlined in paragraph "b" above.

- D. Components to be considered by the Cooperative in line extension contracts to large power loads:
- (1) Investment in extension of facilities to serve.
 - (2) Estimated annual revenue produced by the load.
 - (3) Termination risks, including duration of service and consumers' credit
 - (4) Initial term of contract.
 - (5) Unusual fluctuation of disturbances to the Cooperative's system.
 - (6) Special equipment necessary to provide non-standard voltage or above-normal continuity of service.
 - (7) Other load characteristics, seasonal or otherwise.
 - (8) Removal costs less salvage value.

500-5 SECURITY LIGHT SERVICE

- A. The Cooperative will install and maintain a security light on existing facilities with no service charge being made to the consumer.
- B. A charge of \$50.00 per pole will be made for each pole necessary to be installed as a separate installation for security light service only. This charge will be a contribution in aid of construction. This charge of \$50.00 will also be for a base pole of 25-feet in length. For additional height the consumer will be charged \$1.00 per linear foot. For each separate pole installed the Cooperative will extend service for a distance of 140-feet. Any distances in excess of 140-feet will require the addition of another pole.
- C. Charges for security light service on separate poles will be in accordance with applicable rates approved by the Board of Trustees.
- D. Underground wiring will be available at the above rate plus \$3.00 per month where the amount of required buried cable does not exceed, on the average, 140 feet per pole. An amount payable in advance and without right of refund shall be charged equal to the average installed cost per foot of buried cable times the footage in excess of 140 feet per pole.
- E. If the security light is habitually vandalized, the Cooperative may require the consumer to pay the cost of repairs or allow the Cooperative to remove the light.

TERMS AND CONDITIONS OF SERVICE-PART 5

It is certified that the foregoing document, which totals 30 pages including the 2 pages of Table of Contents, are true and accurate Terms and Conditions of Service for Kiamichi Electric Cooperative, Inc.

Issued January 19, 2010 Effective March 1, 2010
Month Day Year Month Day Year

Rates Authorized by Kiamichi Electric Cooperative Board of Trustees

Issued by _____ Chief Executive Officer
(Name of Officer) (Title)