101. Description of Electric Utility Operations

101.1 Organization.
Rio Grande Electric Cooperative, Inc. is an electric cooperative corporation organized and operating under the Electric Cooperative Corporation Act (Chapter 161 of the Texas Utilities Code) and the laws of the State of Texas and is owned by its members. The Cooperative's business affairs are managed by a board of directors who are elected to the board from and by the Cooperative's Members in accordance with the provisions of the Bylaws.

101.2 Type of Service.
The Cooperative provides electric utility service through the operation of a retail electric transmission and distribution system. The Cooperative does not engage in the generation of electric power, but instead purchases all of its electric energy requirements from Lower Colorado River Authority and El Paso Electric Company.

101.3 Service Area.
A. Certification.
The Public Utility Commission of Texas authorized the Cooperative to provide electric utility service by the issuance of a Certificate of Convenience and Necessity (CCN#30129) for certain areas in Texas. All provisions of this Tariff are applicable only to those areas served in Texas.

B. Countries.
The Cooperative provides service to Consumers within the United States and Mexico.

1. United States.
Within the United States, the Cooperative serves Consumers within Texas and New Mexico.
a. Texas.
   In Texas, the Cooperative serves Consumers within all or portions of the following counties:

<table>
<thead>
<tr>
<th>Brewster</th>
<th>Crockett</th>
<th>Culberson</th>
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<tbody>
<tr>
<td>Dimmit</td>
<td>Edwards</td>
<td>El Paso</td>
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<tr>
<td>Hudspeth</td>
<td>Jeff Davis</td>
<td>Kinney</td>
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<td>Maverick</td>
<td>Pecos</td>
<td>Presidio</td>
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<td>Reeves</td>
<td>Terrell</td>
<td>Uvalde</td>
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<tr>
<td>Val Verde</td>
<td>Webb</td>
<td>Zavala</td>
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b. New Mexico.
   In New Mexico, the Cooperative serves Consumers within the following counties:

   Eddy
   Otero

2. Mexico.
   The Cooperative provides service to certain areas of Mexico.

C. Cities.
   The service area of the Cooperative includes all or portions of the following Texas incorporated municipality:

   Dell City, Texas
   Eagle Pass, Texas.

D. Military Installations.
   Cooperative provides wires services to all or portions of the following installations:

   Fort Bliss, El Paso, Texas
   Laughlin Air Force Base, Del Rio, Texas
E. Area Office Addresses.

All services, including membership service applications, billing issues and consumer complaint information are available at each of the six area offices listed below:

P.O. Box 125
3204 Valley Street Carrizo Springs, TX 78834
830/876-2513
830-563-6102 (fax)

2501 N. Highway 118
Alpine, TX 79830
432/837-0941
830-563-6103 (fax)

P.O. Box 619*
502 South Main
Dell City, TX 79837
915/964-2690
830-563-6105 (fax)

P.O. Box 1509
778 East US 90
Brackettville, TX 78832
830/563-2444
830-563-6101 (fax)

P.O. Box 1818
301 N. Ellyson
Fort Stockton, TX 79735
432/336-3287
830-563-6104 (fax)

10050 Railroad Rd.
El Paso, TX 79924
915/778-0152
915/778-0109 (fax)

* Also serves New Mexico Consumers.
102. **Purpose and Scope of Tariffs.**

These Tariffs define the service relationship between the Cooperative and persons desiring or receiving electric utility services from the Cooperative. Provisions in the Tariff referring to “Consumer” or “Consumers” also apply to patrons or customers of the Cooperative whether or not they have satisfied the requirements for Membership. Contractual rights and obligations of the Cooperative and its Consumers or customer/patron are specified in a manner consistent with regulations affecting the Cooperative's method of operation.

103. **Applicability of Tariffs.**

These Tariffs are applicable to the provisions of electric utility service by the cooperative in all areas in Texas in which the Cooperative provides service except as may be precluded by law.

104. **Severability.**

If any provision of this Tariff is held invalid, such invalidity shall not affect other provisions of application of this Tariff, which can be given effect without the invalid provision or application, and to this end the provisions of these Tariffs are declared to be severable.

105. **Modification of Tariffs.**

This Tariff may be changed, modified, or abrogated in whole or in part by the Board of Directors of the Cooperative. Any changed Tariff shall be applicable to service provided from and after the effective date of such change.

106. **Waiver.**

The failure of the Cooperative to enforce any of the provisions of this Tariff shall not be considered a waiver of its right to do so.
107. **Non-discrimination.**

Cooperative services are provided without discrimination to a consumer’s race, color, sex, nationality, religion, marital status, income level, or source of income.
201. **Rate Classification and Assignment.**

Rate classification and assignment shall be made by the Cooperative in accordance with the availability and type of service provisions in its rate schedules. Rate schedules have been developed for the standard types of service provided by the Cooperative. If the Consumer's request for electric service involves unusual circumstances, usage, or load characteristics not regularly encountered by the Cooperative, the Cooperative may assign a suitable rate classification or enter into a special contract. Unless otherwise noted in the rate schedule, all demand (kW) measurements shall be NCP (Non Coincidence Peak).

Upon request for service by a prospective residential applicant or for transfer of service by a residential Consumer, the applicant or Consumer shall be informed of the Cooperative's service alternatives, beginning with the lowest-priced service alternatives, available at the Consumer's service location, giving full consideration to equipment options and line extension charges, if any.

All wiring, pole lines, underground lines, and other electrical equipment beyond the metering point shall be considered the distribution system of the Consumer and shall be furnished and maintained by the Consumer.
202. **Rate Schedules.**

202.1 **Residential Service.**

A. **Availability.**
   Available for permanent domestic uses, as defined in §370.17, associated with a single family or multi-family dwelling used as a permanent residence. This service will be supplied through one meter and will be subject to the Service Rules and Regulations of the Cooperative. See §323.2.

B. **Type of Service.**
   Single-phase, 60 cycles, at available secondary voltage. Frequency and voltage shall be subject to reasonable variation. See Single-Phase §320.2.

C. **Rate - Monthly.**
   
   **Availability Charge:** $38.75 per meter
   
   **Standard Rate Period:** $0.1203 per kWh
   
   **Peak Rate Period*: $0.1956 per kWh

   * Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. **Minimum Charges.**
   The monthly minimum charge shall be the availability charge.

E. **Billing Adjustments.**
   Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.
F. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.

G. Terms of Payment.
Monthly bills are payable upon receipt each month, and are due no later than 16 days from date mailed to the Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next business day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

For qualifying Consumers, a level payment plan is available. See §309.
202.2 **Seasonal Service.**

A. **Availability.**
Available for seasonal and recreational usage including but not limited to, camp houses, hunting lodges, hunting camps, hunting shelters, fishing camps, weekend residences and other seasonal or nonpermanent recreational facilities such as travel trailers and motor homes as well as other similarly defined facilities. Nonpermanent facilities are defined in §370.14 of this Tariff. See §323.2.

B. **Type of Service.**
Single-Phase, 60 cycles, at available secondary voltage. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. **Rate - Monthly.**
- **Availability Charge:** $39.50 per meter
- **Standard Rate Period:** $0.1230 per kWh
- **Peak Rate Period:** $0.1880 on peak

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered in the Standard Rate Period (Off Peak).

D. **Minimum Charges.**
The monthly minimum charge shall be the availability charge.

E. **Billing Adjustments.**
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.
F. **Other Fees.**
   From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.

G. **Terms of Payment.**
   Monthly bills are payable upon receipt each month, and are due no later than 16 days from date mailed to the Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next business day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

   If the Cooperative before the close of business does not receive payment 16 days from date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.3 **General Service - Single Phase.**

A. **Availability.**
Available for General Service usage including, but not limited to, stock water, barns, sheds, shop buildings, cathodic protection, oil well related equipment, or any other general service load not specified in other rate schedules, subject to the established Rules and Regulations. To the extent another rate schedule is applicable to the Consumer’s usage, that schedule will be utilized. See §323.2.

B. **Type of Service.**
Single-phase, 60 cycles, at available secondary voltage. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. **Rate - Monthly.**

- **Availability Charge:** $39.00 per meter
- **Standard Rate Period:** $0.1017 per kWh
- **Peak Rate Period*:** $0.1688 on peak

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. **Minimum Charges.**
The monthly minimum charge shall be the availability charge.

E. **Billing Adjustments.**
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.
F. **Other Fees.**
From time to time other fees may be imposed consistent with these Tariffs. See §203.6, §204, §301.2, §305, §324.7 and §324.8.

G. **Terms of Payment.**
Monthly bills are payable upon receipt each month, and are due no later than 16 days from date mailed to the Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next business day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.3.1 General Service - Single Phase Mountain Top.

A. Availability.
   Available for existing General Service located on a mountaintop defined in section §370.12 usage. See §323.2.

B. Type of Service.
   Single-phase, 60 cycles, at available secondary voltage. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. Rate - Monthly.
   Availability Charge: $60.00 per meter
   Standard Rate Period: $0.1238 per kWh
   Peak Rate Period*: $0.1975 per kWh

   * Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Minimum Charges.
   The monthly minimum charge shall be the availability charge.

E. Billing Adjustments.
   Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

F. Other Fees.
   From time to time other fees may be imposed consistent with these Tariffs. See §203.6, §204, §301.2, §305, §324.7 and §324.8.
G. Terms of Payment.
Monthly bills are payable upon receipt each month, and are due no later than 16 days from date mailed to the Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next business day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.4 Temporary Service.

A. Availability.
Available for temporary construction facilities not to exceed 12 consecutive months. See §323.2.

B. Type of Service.
Single-Phase or Three Phase Service, 60 cycles, at available secondary voltage. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. Rate - Monthly.
Availability Charge: $41.50 per meter
Standard Rate Period: $0.1650 per kWh
Peak Rate Period*: $0.2510 per kWh

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Minimum Charges.
The monthly minimum charge shall be the availability charge.

E. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

F. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.
G. **Terms of Payment.**

Monthly bills are payable upon receipt each month, and are due no later than 16 days from the date mailed to the Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next workday. Monthly bills will be considered paid ONLY when Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.5 **General Service - Three-Phase.**

A. **Availability.**
Available for General Service usage for a minimum of twelve (12) months, is not specified in any other rate schedule, and requires three-phase service with a total demand less than 50 kW, subject to the established Rules and Regulations. To the extent another rate schedule is applicable to the consumer’s usage that schedule will be utilized if requested by the consumer or if in the Cooperative’s judgment another schedule is more appropriate. See §323.2.

B. **Type of Service.**
Three-Phase, 60 cycles, at available secondary voltage. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. **Rate - Monthly.**
- Availability Charge: $69.75 per meter
- Energy Charge: $0.0935 per kWh
- Standard Rate Period: $4.00 per kW
- Peak Rate Period*: $6.50 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. **Determination of Billing kW Demand.**
The billing demand shall be the maximum kilowatt demand established by the Consumer for any fifteen (15) minute period during the month for which the bill is rendered, as indicated or recorded by a demand meter.

E. **Minimum Monthly Charge.**
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.
F. Power Factor Adjustment.
The Consumer agrees to maintain unity power factor as nearly as practicable.
The demand charge may be adjusted for an average power factor lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the billing horsepower 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

G. Conditions of Service.
Motors having a nameplate rating in excess of 25 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.

H. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

I. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §203.6, §204, §301.2, §305, §324.7 and §324.8.

J. Terms of Payment.
Monthly bills are payable upon receipt each month, and are due no later than 16 days from date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next workday. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.5.1 General Service - Three-Phase Mountain Top

A. Availability.
   Available for existing General Service three-phase service located on
   mountain top as defined by §370.12. See §323.2.

B. Type of Service.
   Three-Phase, 60 cycles, at available secondary voltage. Frequency and
   voltage shall be subject to reasonable variation. See §320.2.

C. Rate - Monthly.
   Availability Charge: $75.00 per meter
   Energy Charge: $0.0750 per kWh
   Standard Rate Period: $6.25 per kW
   Peak Rate Period*: $10.50 per kW

   * Peak rate period occurs each May through September, Monday
     through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All
     other time-periods will be considered the Standard Rate Period (Off
     Peak).

D. Minimum Monthly Charge.
   The minimum monthly charge shall be the sum of the monthly
   availability charge and billing demand charge.
E. Power Factor Adjustment.
The Consumer agrees to maintain unity power factor as nearly as practicable. The demand charge may be adjusted for an average power factor lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the billing horsepower 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

F. Conditions of Service.
Motors having a nameplate rating in excess of 25 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.

G. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §203.6, §204, §301.2, §305, §324.7 and §324.8.

I. Terms of Payment.
Monthly bills are payable upon receipt each month, and are due no later than 16 days from date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next workday. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from date of mailing, the bill becomes past due.
Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.6 Oil Well Pumping & Related Operations.

A. Availability.
Available to Consumers of the Cooperative for three (3) phase oil well pump service for a minimum of twelve (12) months. The use of energy under this schedule shall be confined to oil well pumping and related operations. Small single-phase equipment shall be classified under §202.3 General Service-Single Phase. See §323.2.

B. Type of Service.
Three-Phase service is available at Cooperative’s standard secondary voltages, 60 cycles, alternating current not to exceed fifty (50) kW. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. Rate - Monthly.
Availability Charge: $68.00 per meter
Energy Charge: $0.0502 per kWh
Standard Rate Period: $12.00 per kW
Peak Rate Period*: $17.25 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Billing Demand.
The billing demand in kilowatts shall be the highest of the following:

1. Metered demand adjusted for power factor.

2. Seventy-five percent (75%) of the highest demand in the most recent twelve (12) months ending in the current month, established in the months of April through September.
E. **Minimum Monthly Charge.**
   The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

F. **Billing Adjustments.**
   Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

G. **Power Factor Adjustment.**
   The Consumer agrees to maintain unity power factor as nearly as practicable. The demand charge may be adjusted for an average power factor lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the demand horsepower 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

H. **Other Fees.**
   From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8

I. **Terms of Payment.**
   Monthly bills are payable upon receipt each month, and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next workday. Monthly bills will be considered paid ONLY when Cooperative receives payment. See §324.

   If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.7 Irrigation and Related Pumping.

A. Availability.
Available to Consumers of the Cooperative requiring three-phase service for irrigation pumping. The use of energy under this schedule shall be confined to irrigation and related pumping for a minimum service period of twelve months. See §323.2.

B. Type of Service.
Three-phase, 60 cycles, at the Cooperative’s standard secondary voltages. At the discretion of the Cooperative’s engineering department, single-phase service may be provided, on a case by case basis. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. Rate - Monthly:
Availability Charge: $77.50 per meter
Energy Charge: $0.0818 per kWh
Standard Rate Period*: $6.55 per kW
Peak Rate Period**: $7.55 per kW

* Standard Rate Period occurs each May through September, excluding Peak Period.

** Peak Rate Period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Billing kW Demand.
The billing demand shall be the maximum kilowatt demand established by the Consumer for any fifteen (15) minute period during the month for which the bill is rendered, as indicated or recorded by a demand meter.

E. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

F. Power Factor Adjustment.
   The Consumer agrees to maintain unity power factor as nearly as practicable. The demand charge may be adjusted for an average power factor lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the billing horsepower 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

G. Conditions of Service.
   Motors having a nameplate rating in excess of 100 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.

H. Minimum Monthly Charge.
   The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. Other Fees.
   From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.

J. Terms of Payment.
   Monthly bills are payable upon receipt each month, and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.
If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.8  Large Power Primary (50 – 999 kW)

A. Availability.
Primary service available to Consumers located within the Cooperative’s service area with demands not less than 50, or more than 999 kW, subject to the established Rules and Regulations of the Cooperative. See §301 and §323.2.

12-month period the load measured may not fall below 50 kW in more than two (2) months.

B. Type of Service.
Three-phase primary service at Cooperative’s standard voltage. Frequency and voltage shall be subject to reasonable variation. Load shall be demand-metered. See §320.2.

C. Rate - Monthly.
Availability Charge: $250.00 per meter
Energy Charge: $0.0525 per kWh
Standard Rate Period: $11.00 per kW
Peak Rate Period*: $14.25 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Metered Demand.
The metered demand shall be the maximum average kilowatt demand established by the Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor.
E. Power Factor Adjustment.
The Consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

F. Determination of Billing Demand.
The billing demand in kilowatts shall be the highest of the following:

1. Metered demand adjusted for power factor.
2. Seventy-five percent (75%) of the highest demand measured in the most recent twelve (12) months ending in the current month.
3. Fifty (50) kW.

G. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. Minimum Monthly Charge.
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.

J. Terms of Payment.
Monthly bills are payable upon receipt each month and are due no later
than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

K. Conditions of Service.
Motors having a nameplate rating in excess of 100 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.
202.8.1 Large Power Secondary (50-999 kW).

A. Availability.
Secondary service available to Consumers located within the Cooperative’s service area with demands not less than 50, or more than 999 kW, subject to the established Rules and Regulations of the Cooperative. See §301 and §323.2.

B. Type of Service.
Three-phase secondary service at Cooperative’s standard voltage. Frequency and voltage shall be subject to reasonable variation. Load shall be demand-metered. See §320.2.

C. Rate - Monthly.
Availability Charge: $250.00 per meter

Energy Charge: $0.0545 per kWh

Standard Rate Period: $11.25 per kW

Peak Rate Period*: $14.25 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Metered Demand.
The metered demand shall be the maximum average kilowatt demand established by the Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as follows:

E. Power Factor Adjustment.
The Consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average
power factors lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

F. **Determination of Billing Demand.**
The billing demand in kilowatts shall be the highest of the following:

1. Metered demand adjusted for power factor.

2. Seventy-five percent (75%) of the highest demand measured in the most recent twelve (12) months ending in the current month.

3. Fifty (50) kW.

G. **Billing Adjustments.**
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. **Minimum Monthly Charge.**
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. **Other Fees.**
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.
J. **Terms of Payment.**
Monthly bills are payable upon receipt each month and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

K. **Conditions of Service.**
Motors having a nameplate rating in excess of 100 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.
202.8.2 **Large Power Primary (1000-2999 kW).**

A. **Availability.**
Primary service available to Consumers located within the Cooperative’s service area with demands not less than 1000, or more than 2999 kW, subject to the established Rules and Regulations of the Cooperative. See §301 and §323.2.

B. **Type of Service.**
Three-phase primary service at Cooperative’s standard voltage. Frequency and voltage shall be subject to reasonable variation. Load shall be demand-metered. See §320.2.

C. **Rate - Monthly.**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability Charge:</td>
<td>$500.00 per meter</td>
</tr>
<tr>
<td>Energy Charge:</td>
<td>$0.0471 per kWh</td>
</tr>
<tr>
<td>Standard Rate Period:</td>
<td>$10.00 per kW</td>
</tr>
<tr>
<td>Peak Rate Period*:</td>
<td>$12.75 per kW</td>
</tr>
</tbody>
</table>

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. **Determination of Metered Demand.**
The metered demand shall be the maximum average kilowatt demand established by the Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor.

E. **Power Factor Adjustment.**
The Consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

F. Determination of Billing Demand.
The billing demand in kilowatts shall be the highest of the following:

1. Metered demand adjusted for power factor.

2. Seventy-five percent (75%) of the highest demand measured in the most recent twelve (12) months ending in the current month.

3. Fifty (50) kW.

G. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. Minimum Monthly Charge.
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.
J. Terms of Payment.
Monthly bills are payable upon receipt each month and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

K. Conditions of Service.
Motors having a nameplate rating in excess of 100 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.
Large Power Secondary (1000-2999 kW)

A. Availability.
Secondary service available to Consumers located within the Cooperative’s service area with demands not less than 1000, or more than 2999 kW, subject to the established Rules and Regulations of the Cooperative. See §301 and §323.2.

B. Type of Service.
Three-phase secondary service at Cooperative’s standard voltage. Frequency and voltage shall be subject to reasonable variation. Load shall be demand-metered. See §320.2.

C. Rate - Monthly.
Availability Charge: $500.00 per meter
Energy Charge: $0.0487 per kWh
Standard Rate Period: $10.05 per kW
Peak Rate Period*: $13.05 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Metered Demand.
The metered demand shall be the maximum average kilowatt demand established by the Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor.

E. Power Factor Adjustment.
The Consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

F. Determination of Billing Demand.
The billing demand in kilowatts shall be the highest of the following:

1. Metered demand adjusted for power factor.

2. Seventy-five percent (75%) of the highest demand measured in the most recent twelve (12) months ending in the current month.

3. Fifty (50) kW.

G. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. Minimum Monthly Charge.
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.
J. Terms of Payment.
Monthly bills are payable upon receipt each month and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

K. Conditions of Service.
Motors having a nameplate rating in excess of 100 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.
202.8.4 Large Power - Primary (3000 kW and Greater)

A. Availability.
Primary service available to Consumers located within the Cooperative’s service area with demands not less than 3000 Kw, subject to the established Rules and Regulations of the Cooperative. See §301 and §323.2.

B. Type of Service.
Three-phase primary service at Cooperative’s standard voltage. Frequency and voltage shall be subject to reasonable variation. Load shall be demand-metered. See §320.2.

C. Rate - Monthly.
Availability Charge: $1,000.00 per meter
Energy Charge: $0.0427 per kWh
Standard Rate Period: $8.60 per kW
Peak Rate Period*: $11.55 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Metered Demand.
The metered demand shall be the maximum average kilowatt demand established by the Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor.

E. Power Factor Adjustment.
The Consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

F. Determination of Billing Demand.
The billing demand in kilowatts shall be the highest of the following:

1. Metered demand adjusted for power factor.

2. Seventy-five percent (75%) of the highest demand measured in the most recent twelve (12) months ending in the current month.

3. Fifty (50) kW.

G. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. Minimum Monthly Charge.
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.
J. **Terms of Payment.**

Monthly bills are payable upon receipt each month and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

K. **Conditions of Service.**

Motors having a nameplate rating in excess of 100 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.
202.8.5 Large Power - Secondary (3,000 kW and Greater)

A. Availability.
Secondary service available to Consumers located within the Cooperative’s service area with demands not less than 3000 Kw, subject to the established Rules and Regulations of the Cooperative. See §301 and §323.2.

B. Type of Service.
Three-phase secondary service at Cooperative’s standard voltage. Frequency and voltage shall be subject to reasonable variation. Load shall be demand-metered. See §320.2.

C. Rate - Monthly.
Availability Charge: $1,000 per meter
Energy Charge: $0.0441 per kWh
Standard Rate Period: $8.60 per kW
Peak Rate Period*: $13.35 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Metered Demand.
The metered demand shall be the maximum average kilowatt demand established by the Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor.

E. Power Factor Adjustment.
The Consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted to correct for average power factors lower than 90% if the Cooperative deems it necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging. See §203.4 and §323.4.

F. Determination of Billing Demand.
The billing demand in kilowatts shall be the highest of the following:

1. Metered demand adjusted for power factor.

2. Seventy-five percent (75%) of the highest demand measured in the most recent twelve (12) months ending in the current month.

3. Fifty (50) kW.

G. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. Minimum Monthly Charge.
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.
J. **Terms of Payment.**
Monthly bills are payable upon receipt each month and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

K. **Conditions of Service.**
Motors having a nameplate rating in excess of 100 horsepower must have a reduced voltage start device as specified by the Cooperative’s engineering department. Member will be responsible for purchase, installation, and maintenance of the reduced voltage device.
202.8.6 Large Power – Parasitic Rate.

A. Availability.
Available to Consumers located within the Cooperative’s service area with generating facilities connected at transmission voltage and from which retail energy is delivered directly from the transmission system. Subject to the established Rules and Regulations of the Cooperative. See §323.2.

B. Type of Service.
Transmission level (69 kV or greater), demand-metered.

C. Rate - Monthly.
Availability Charge: $250.00 per meter
Energy Charge: $0.0501 per kWh
Standard Rate Period: $4.20 per kW
Peak Rate Period*: $7.00 per kW

* Peak rate period occurs each May through September, Monday through Friday, during the hours of 3:00 PM to 7:00 PM (CT). All other time-periods will be considered the Standard Rate Period (Off Peak).

D. Determination of Metered Demand.
The metered demand shall be the maximum average kilowatt demand established by the Consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter.

E. Determination of Billing Demand.
The billing demand in kilowatts shall be the highest of the following:
1. Metered demand.

2. Seventy-five percent (75%) of the highest demand in the most recent twelve (12) months ending in the current month.

3. Fifty (50) kW.

G. Billing Adjustments.
Billing adjustments shall be made in accordance with §203. It is the responsibility of the consumer, subsequent to service made available under this rate schedule, to determine if another rate schedule would provide lower costs to the consumer. If, in the consumer’s judgment, another applicable rate schedule will provide a better-cost alternative, adjustments will be applied to future billings only.

H. Minimum Monthly Charge.
The minimum monthly charge shall be the sum of the monthly availability charge and billing demand charge.

I. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.

J. Terms of Payment.
Monthly bills are payable upon receipt each month and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.9 Area Lighting.

A. Availability.
Consumers receiving metered service from the Cooperative are eligible for area lighting on the premises at which they are receiving metered service. In areas of the Cooperative’s service territory, where night sky light pollution regulations exist, the Cooperative will install necessary appurtenances to assure compliance with said regulations. The Cooperative will install non-standard lighting fixtures and poles. Non-standard installations will require 100% contribution in aid of construction by the consumer. See §323.2.

B. Base Rate Per Lamp Per Month.

<table>
<thead>
<tr>
<th>Lighting Units Mounted On Existing Pole kWh for Monthly Billing Adjustment Purposes</th>
<th>175 Watt HPS/LED</th>
<th>250 Watt HPS/LED</th>
<th>400 Watt HPS/LED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lighting Units Mounted On Existing Pole kWh for Monthly Billing Adjustment Purposes</td>
<td>$13.25</td>
<td>$16.00</td>
<td>$20.75</td>
</tr>
<tr>
<td>Each Additional Pole (Without Light)</td>
<td>$2.00</td>
<td>$2.00</td>
<td>$2.00</td>
</tr>
<tr>
<td>Separate Transformer</td>
<td>$2.00</td>
<td>$2.00</td>
<td>$2.00</td>
</tr>
</tbody>
</table>

C. Conditions of Service.
Area lights will be mounted on a wooden pole at a distance not to exceed 300 feet from the Cooperatives existing distribution facilities. Secondary voltage conductors will supply the light(s) and the standard pole length for lighting will be 30 feet. The Cooperative will determine the number of poles and pole length required to provide adequate conductor clearance.

The Cooperative will furnish, install, operate, and maintain on a rental basis the area lights in accordance with the appropriate rate. The area lights will be
electrically connected to the Cooperative’s distribution system in such a manner that the electricity required by the light will not pass through the Consumers meter and will be controlled by photoelectric control which will operate the light from dusk until dawn. The Cooperative shall retain ownership of the lights, poles, and related equipment and may remove the area lighting equipment when metered service is no longer required on the premises.

D. **Billing Adjustments.**

Billing adjustments shall be made in accordance with §203. Billing adjustments will be computed using the kWh stated above if light is not metered.

E. **Service Equipment.**

Cooperative will adjust the automatic control at the time of installation to provide dusk to dawn lighting. Should the equipment fail to operate as specified, the Cooperative, upon notice from the consumer, will make the necessary repairs within a reasonable length of time.

After initial installation of the lighting unit, any consumer requested changes or alterations to the equipment involved will be made at the Consumer’s expense.

F. **Other Fees.**

From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.

G. **Terms of Payment.**

Monthly bills are payable upon receipt each month, and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.
If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.
202.10  **Standby Service.**

A. **Availability.**
Available to Consumers located within the Cooperative’s service area for standby and/or auxiliary service where the Consumer’s electric service requirements are normally supplied from sources other than the Cooperative, and where the Consumer requests standby service. A Consumer having on-site generating equipment and requesting standby service is required to take service under this rate schedule if the Consumer’s total generating capability: (1) exceeds 50 kW, and (2) is operated for other than emergency and test purposes. Sources of electric service utilized by the Consumer solely to provide emergency service in the event that the Cooperative-provided service is interrupted do not qualify for service hereunder.

Consumers requiring service under this schedule shall enter into a Standby Service Agreement with the Cooperative; however, failure to execute such an agreement shall not pre-empt the application of this schedule or charges hereunder for service.

B. **Type of Service.**
Three-phase, demand-metered. Frequency and voltage shall be subject to reasonable variation. See §320.2.

C. **Rate - Monthly.**
The Large Power rate schedule set forth in §202.6 of this Tariff will be applied when the bill for service rendered during any billing month, calculated using Large Power base rate charges, exceeds the Minimum Monthly Charge calculated herein.

D. **Minimum Monthly Charge.**
The minimum monthly charge shall be equal to $7.00 per kilowatt of consumer owned and installed generating capacity expressed in kilowatts, or the Consumer’s measured fifteen (15) minute demand, whichever is greater or as stipulated in the written agreement between the Cooperative and the Consumer.
E. Billing Adjustments.
Billing adjustments shall be made in accordance with §203.

F. Other Fees.
From time to time other fees may be imposed consistent with these Tariffs. See §204, §301.2, §305, §324.7 and §324.8.

G. Terms of Payment.
Monthly bills are payable upon receipt each month and are due no later than 16 days from the date mailed to Consumer. If the 16th day falls on a holiday or weekend, the due date for payment purposes shall be the next work-day. Monthly bills will be considered paid ONLY when the Cooperative receives payment. See §324.

If the Cooperative before the close of business does not receive payment 16 days from the date of mailing, the bill becomes past due. Consumer’s service is subject to discontinuance anytime thereafter with ten days’ written notice.

An estimated meter reading will be used for computing monthly bills when actual meter reading is not received from Consumer by the 20th of the billing month. Failure on the part of Consumer to furnish a meter reading for three consecutive months will authorize the Cooperative to read the meter and include a trip fee on the Consumer’s bill for that month.

H. Conditions of Service.
Motors having a nameplate rating in excess of 10 horsepower must be three-phase. Motors having a nameplate rating in excess of 100 horsepower must have a soft start device that limits motor-start current to 300% of the nameplate rating or as specified by the Cooperative.
202.11 Wholesale Transmission Service - Planned and Unplanned, Short-Term
Planned Transmission Service, and ERCOT Export Transmission Service

A. Availability
Planned and Unplanned Wholesale Transmission Service is available within the Electric Reliability Council of Texas
(ERCOT) where transmission voltage facilities of adequate capacity are available to implement Wholesale Transmission
Service. Any power delivered to or received from the Rio Grande Electric Cooperative, Inc. (RGEC) transmission system under this
tariff must be delivered or received at 60,000 volts of higher, three
phase, 60 hertz alternating current.

RGEC stands ready to furnish Wholesale Transmission Service through distribution lines of voltages less than 60,000 volts. RGEC
will begin furnishing service within twenty (20) days of receipt of
a completed application for service as required under the Public
Utility Commission of Texas (PUCT) Substantive Rule 25.198.
The 20-day deadline to provide the service will not apply if
adequate facilities are not in place at the time service is requested.
If adequate facilities are not in place at the time service is
requested, RGEC will construct new facilities or alter existing
facilities as necessary, and make the service available, as soon as
reasonably possible. Within 60 days of a request for the service,
RGEC will submit to the PUCT proposed rates for the service.
The rates ultimately approved by the PUCT will apply
retroactively beginning on the date service is initiated. The terms
and conditions for the service are those stated in PUCT Substantive
construction may be required if facilities must be constructed to
provide the service, or if existing facilities must be altered to
provide the service, in accordance with PUCT Substantive Rule
25.195. All facilities altered or constructed by RGEC will remain
the property of RGEC.
B. **Applicability**

Wholesale Transmission Service will be provided to any "eligible transmission service customer" as that term is defined in Substantive Rule 25.191(e) of the PUCT, and shall be provided in accordance with Substantive Rules 25.191, 25.192, 25.195, and 25.198. Service under this tariff supports wholesale transaction. Transmission service is not available to support retail transactions.

Wholesale Transmission Service is applicable both to power transmission service entirely within the boundaries of ERCOT and to Exports of power from ERCOT for that portion of transmission service that is within the boundaries of ERCOT.

C. **Conditions**

RGEC will provide Wholesale Transmission Service to any eligible transmission service customer, provided that:

1. The eligible transmission service customer has completed an Application for Annual, Monthly, Weekly, Daily, or Hourly, if offered by the ERCOT Independent System Operator (ISO), Planned Service, or a Request for Unplanned Transmission Service, in accordance with the procedural and scheduling requirements of PUCT Substantive Rule 25.198;

2. An eligible transmission service customer that has a physical connection to the RGEC system has executed an Interconnection Agreement for Transmission Service, or has requested in writing that RGEC file a proposed unexecuted agreement with the PUCT;

3. Both RGEC and the eligible transmission service customer (or a third party) have completed installation of all equipment specified under the Interconnection Agreement for Transmission Service. RGEC shall make reasonable efforts, in coordination with the eligible transmission service customer, to complete such arrangements as soon as practical prior to the service commencement date; and
4. The eligible transmission service customer has arranged for ancillary services necessary for the transaction.

5. An eligible transmission service customer that is responsible for serving wholesale load has agreed with RGEC, the ERCOT ISO and/or other appropriate agencies to maintain a power factor of 95% or greater at each point of interconnection with RGEC.

D. Charges for Service

1. **Planned and Unplanned Wholesale Transmission Service** will be subject to Access Charges and ISO Fees as shown in the table below. This service will also be subject to Compensation for Losses as shown in the table.

<table>
<thead>
<tr>
<th>CHARGES FOR PLANNED AND UNPLANNED WHOLESALE TRANSMISSION SERVICE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Service Period</td>
</tr>
<tr>
<td></td>
<td>Annual</td>
</tr>
<tr>
<td>Access Charge $ per KW</td>
<td>$.00443</td>
</tr>
<tr>
<td>ISO Fee</td>
<td>Yes</td>
</tr>
<tr>
<td>Compensation For Losses</td>
<td>Yes</td>
</tr>
</tbody>
</table>

2. **Short-Term Planned Transmission Service** is provided with in conjunction with, and is subject to, all the terms and conditions for Wholesale Transmission Service. This rider is applicable for wholesale transmission service from
planned resources to loads for periods shorter than one year.

<table>
<thead>
<tr>
<th>CHARGES FOR SHORT-TERM PLANNED TRANSMISSION SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Period</td>
</tr>
<tr>
<td>Monthly</td>
</tr>
<tr>
<td>Access Charge $ per KW</td>
</tr>
<tr>
<td>$.000369</td>
</tr>
<tr>
<td>ISO Fee</td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>Compensation For Losses</td>
</tr>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>

3. ERCOT Export Wholesale Transmission Service will be subject to Access Charges, ISO Fees, and Compensation for Losses. Monthly Access Charges for Export Service will differ by On-peak and Off-peak periods, as shown in the table below. The On-peak period used to determine the applicable Access Charge for Export service will be the calendar months of June, July, August, and September. All other months will be considered Off-peak for this purpose. ERCOT Export Wholesale Transmission customers exporting power from ERCOT on a planned basis will be assessed an Access Charge based on the duration of the service requested, as shown in the table below. Export customers exporting power from ERCOT on an unplanned basis will be assessed an Access Charge based on the duration of the service actually used. This Access Charge will be prorated for partial periods based on the table below.
<table>
<thead>
<tr>
<th>CHARGES FOR EXPORT WHOLESALE TRANSMISSION SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Period</td>
</tr>
<tr>
<td>Annual</td>
</tr>
<tr>
<td>Monthly</td>
</tr>
<tr>
<td>Weekly</td>
</tr>
<tr>
<td>Daily</td>
</tr>
<tr>
<td>Hourly</td>
</tr>
<tr>
<td>On-Peak</td>
</tr>
<tr>
<td>Off-Peak</td>
</tr>
<tr>
<td>Access Charge $ per KW</td>
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<tr>
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<td>Compensation For Losses</td>
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E. **ISO Fee**
A fee approved by the PUCT will be charged, billed, and collected by the ERCOT ISO from users of Annual, Monthly, Weekly, Daily, and Hourly Planned, Unplanned, and Export Wholesale Transmission Service.

F. **Compensation for Losses**
An eligible transmission service customer that uses transmission service shall compensate RGEC for losses resulting from such transmission service. The ERCOT ISO using a method approved by the PUCT shall calculate losses. Charges for losses will be included on the bill rendered by RGEC along with any Access Charges applicable.

G. **Resale of Transmission Rights**
An eligible transmission service customer is permitted to resell any and all Wholesale Transmission Service rights contracted for by the eligible transmission service customer to other wholesale market participants. The eligible
transmission service customer shall inform the transmission provider and obtain ERCOT ISO approval for any resale of transmission service rights.

H. Construction of New Facilities
To the extent that new transmission facilities are needed to accommodate a request for Planned Wholesale Transmission Service, RGEC shall follow the procedures set forth in PUCT Substantive Rules 25.198 and 25.195 in working with the eligible transmission service customer to upgrade the RGEC transmission system.

I. Reliability Guidelines
To maintain reliability of the ERCOT transmission grid, RGEC shall operate its transmission system in accordance with the ERCOT Operating Guides, National Electric Reliability Council (NERC) guidelines, and any guidelines of the ERCOT ISO that may apply to the RGEC system.

J. Payment
Charges due to RGEC under this rate schedule shall be billed in accordance with PUCT Substantive Rule 25.202. Eligible transmission service customers shall make payment to RGEC in a manner consistent with the procedures and deadlines set forth in PUCT Substantive Rule 25.202. Any late payments or default by eligible transmission service customers shall be handled in accordance with PUCT Substantive Rule 25.202.

K. Contract Term
Planned Wholesale Transmission Service is available for annual, monthly, weekly, daily and, if offered by the ERCOT ISO, hourly periods. Unplanned Wholesale Transmission Service is available for periods as short as one hour and up to 30 days.
203. **Billing Adjustments.**

The Cooperative shall adjust all bills in accordance with the following adjustments if applicable:

203.1 **Power Cost Adjustment (PCA).**

The monthly charges shall be increased or decreased to account for variances in purchased power expense from the amount included in the rates.

A. **PCA Formula**

\[
PCA = \frac{C + E}{S} - B
\]

Where:

- \(PCA\) = Power Cost Recovery Factor expressed in $0.0000 per kWh.
- \(C\) = The total power cost from all suppliers and other applicable costs for the period.
- \(E\) = The accumulated dollar amount of the difference between actual and recovered cost in the preceding period.
- \(S\) = The total estimated energy sales for the period.
- \(B\) = Base amount of power cost recovered in the Cooperative’s electric retail rate schedules equal to $0.0617 per kilowatt-hour sold.

The cost of power and kilowatt-hours used in the above formula may exclude such quantities applicable to certain consumers billed under rate schedules not subject to the PCA.

B. **PCA Computation.**

The PCA will be computed according to the above formula for a twelve-month period beginning January of each calendar year. This factor shall remain constant and be billed each month of that calendar year, subject to the following provisions.

Each month of the twelve-month period, the Cooperative shall recompute the total cost of power and total estimated energy sales, based on actual data for historical months and revisions to projected data, as deemed appropriate by
the Cooperative for the remaining months of the twelve-month period, to reflect current costs and other relevant factors. Should such recomputations indicate that continued use of the PCA then in effect for the remainder of the twelve-month period would result in a substantial under or over recovery of the applicable power cost, the Cooperative may modify the existing PCA to recover such applicable power cost more accurately.

At the end of the twelve-month period, the accumulated dollar amount of applicable power cost under or over recovered for that twelve-month period shall be determined and an adjustment to the actual PCA booked for the twelfth month period shall be made to reconcile the power cost expense with the power cost recovered. That adjustment shall be incorporated into the computation of the PCA for the following twelve-month period. However, the Cooperative may at its sole discretion absorb a portion of the power cost to be recovered herein, provided that after doing so the Cooperative will maintain a sound financial position.

203.2 Sales Tax.
All bills shall be adjusted by the amount of any sales tax or other tax attributable to the sale of electric service to the Consumer unless Consumer has previously provided to the Cooperative satisfactory proof of exemption.

203.3 Meter Error Adjustment.
If a meter is found to be outside the accuracy standards established by the American National Standards Institute, Inc., proper correction shall be made of previous readings for the period of six (6) months immediately preceding the removal of such meter from service for test, or from the time the meter was in service since last tested, but not exceeding six (6) months, as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. No refund is required from the Cooperative except to the Consumer last served by the meter prior to the testing. If a meter is found not to register for any period, unless bypassed or tampered with, the Cooperative shall make a charge for units used, but not metered, for a period not to exceed three (3) months based on amounts used under conditions during a test period or periods preceding or subsequent thereto, or during corresponding periods in previous years. See §204.3 and §324.3.
203.4  **Power Factor Adjustment.**
Demand charges may be adjusted if the power factor is lower than 90%. Measured demand may be increased by 1% for each 1% by which the power factor is less than 90% lagging for any period of fifteen (15) consecutive minutes. This adjustment shall not be applied to loads of less than 25 kW. See §323.4.

203.5  **State College and University Rate Rider.**

A.  **Availability.**
Pursuant to the terms of §2.2141 of the Public Utility Regulatory Act, beginning September 1, 1995, electric service provided to facilities of any Texas four-year university, upper-level institution, Texas State Technical College, or college shall be subject to, and billed in accordance with, this base rate rider. This State College and University Rate Rider is applicable only to those accounts on which the respective Texas state four-year university, upper-level institution, Texas State Technical College, or college is the Consumer of record. The State College and University Rate Rider does not apply to private colleges and/or universities, nor does it apply to two-year colleges.

B.  **Method of Application.**
The State College and University Rate Rider will apply to amounts billed under the applicable rate schedule for base rates, minus the cost of purchased electricity applicable to the Consumer and excluding any adjustment factors, cost recovery factors, or specific charges, and service fees. After appropriate deductions are made, the eligible Consumer’s base rate will be reduced 20%.

C.  **General Conditions.**
The Cooperative will make a reasonable, good faith effort to identify those Consumers and accounts to which the State College and University Rate Rider is applicable. However, eligible Consumers will be solely responsible for identifying and notifying the Cooperative of all accounts to which this Rider may apply, and the Cooperative will not be liable for any loss or damages to the Consumer due to the failure, for any reason whatsoever, to identify such account. The State College and University Rate Rider is subject to all other provisions contained in the Cooperative’s Service Rules and Regulations.
204. **Service Fees.**

204.1 **Trip Fee.**

A. The Cooperative shall charge the following fee for each trip to a Consumer’s premises for reconnection of a disconnected account due to nonpayment.

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<thead>
<tr>
<th></th>
<th>Normal Working Hours</th>
<th>Outside Normal Working Hours</th>
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</thead>
<tbody>
<tr>
<td>Residential Consumer</td>
<td>$50.00</td>
<td>$75.00</td>
</tr>
<tr>
<td>Non-residential Consumer</td>
<td>$75.00</td>
<td>$95.00</td>
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</table>

B. The following fee shall be assessed when the Cooperative is required to read a member read meter that has been estimated by the Cooperative for three (3) consecutive months.

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<thead>
<tr>
<th></th>
<th>Normal Working Hours</th>
<th>Outside Normal Working Hours</th>
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</thead>
<tbody>
<tr>
<td>Residential Consumer</td>
<td>$20.00</td>
<td>$40.00</td>
</tr>
<tr>
<td>Non-residential Consumer</td>
<td>$60.00</td>
<td>$80.00</td>
</tr>
</tbody>
</table>

C. Consumers requiring three-phase service shall pay a reconnect fee of $165.00 for each meter reconnected. This fee is intended to recover expenses associated with consumers who require one or more meter reconnections in a twelve-month period.

Other trips that are made to the Consumer’s premises, which are either requested by the Consumer or necessary under these Service Rules and Regulations or because of standard operating practice, shall be charged an amount equal to $40.00 during normal working hours and $60.00 outside of normal working hours.

No charge shall be made to investigate an outage or service irregularity unless caused by the Consumer, Consumer’s installation or Consumer’s equipment.
204.2 Returned Check.

The Cooperative shall charge $35.00 for each check or other form of payment, which is dishonored or returned to the Cooperative. Any Consumer having a check or other form of payment dishonored two or more times in a 12-month period shall be required to pay by cash, money order, or certified check for a period of six months except in cases where the Consumer was not at fault, such as in the case of a returned item. The Cooperative shall notify the Consumer in writing and make a special notation in the accounts of the Consumer when this Tariff provision is applied.

204.3 Meter Test Fee.

No charge shall be made for a meter test except as provided for in this Rule. If the Consumer’s meter has been tested at the Consumer’s request and within a period of twenty-four (24) months and the Consumer requests a new test, the Cooperative shall charge $40.00 for the new test; but if the meter is found to be within the accuracy standards established by the American National Standards Institute, Inc., the Cooperative may charge the Consumer a fee which reflects the cost for independent meter testing. However, this charge shall not be more than $100.00 plus a Trip Fee as described in §204.1.B.

204.5 Switchover Policy.

A. In areas designated as “Dually Certificated” by the Public Utility Commission of Texas where electric service is being provided to a Consumer by the Cooperative, and said Consumer requests the disconnection of electric service in order to obtain electric service from another certificated utility, the following Rules shall apply:

1. The Consumer shall request in writing to the Cooperative, the removal of electric service facilities from the point of delivery, specifying the date, which in no case shall be less than 90 days that service is to be terminated and the Cooperative’s account number(s) of the location to be disconnected.

2. Prior to disconnection the Consumer shall pay the Cooperative in full; all amounts owed the Cooperative on the account(s) involved including:
payments due under contract, deferred payment agreement, delinquent payments and penalties if applicable.

3. In addition, the Consumer shall pay the Cooperative, prior to the disconnection date, a $250.00 disconnection fee per account.

4. The Consumer shall also pay the Cooperative, prior to the disconnection date, an amount equal to the original total construction cost of all distribution facilities rendered idle, as determined by Cooperative personnel, less any contributions in aid of construction provided by the Consumer for the account being disconnected. In addition, the salvage value of removed facilities shall be deducted from the original total construction cost. The Consumer shall also pay the direct labor and transportation costs associated with removing distribution facilities rendered idle, as determined by Cooperative personnel. The Cooperative shall add to the result from the above calculation, an amount to be determined at the time said switchover is contemplated that is equal to the stranded investment resulting from said switchover.

B. In areas designated as “Dually Certificated” by the Public Utility Commission of Texas where electric service is being provided to a Consumer by a utility other than the Cooperative and said Consumer requests service from the Cooperative, the following Rules shall apply:

1. The Consumer shall notify the utility presently providing service of his/her desire to switch electric service to that of the Cooperative.

2. The Consumer shall provide evidence that he/she has satisfactorily complied with the switchover Tariff requirements of the utility from which service is being terminated.

3. Service will be extended to the Consumer upon the completion of (1) and (2) above and in accordance with the standard line extension policy (See §305) of the Cooperative for the class of service required.

204.6 Intermittent Service Disconnect Policy.
Consumers requesting more than one disconnect of service in a twelve-month
period may be charged a trip fee of $50.00 for each additional disconnect, at the discretion of the Cooperative.
301. Application for Electric Service.

301.1 Application Required.
Any person desiring to receive electric service from the Cooperative shall apply for such service by properly completing, signing, and filing an Electric Service Agreement (See §401). A separate Electric Service Agreement is required for each location where delivery of electric energy is desired, whether or not for initiation or renewal of service or otherwise. An Electric Service Agreement is filed when an appropriate Cooperative employee at any office of the Cooperative receives it.

The Electric Service Agreement must be in the true name of the person desiring to receive electric service or authorized agent. The Cooperative may require suitable identification and such other information as may be reasonably necessary to evaluate the application.

301.2 Membership in the Cooperative.
If applicant is not a Consumer of the Cooperative, applicant shall promptly complete, sign, and file an application for membership. The filing of an application for membership shall be accompanied by the payment of one (1) membership fee. The membership fee shall be $5.00 per member. See §351.8.

301.3 Offer to Purchase Electric Service.
Upon compliance with the provisions of §301.1 and §301.2 applicant has made an offer to purchase electric energy from the Cooperative, the terms of which are contained in the Electric Service Agreement, these Tariffs, and any applicable easement.
302. **Establishment of Credit.**

   The Cooperative may require the applicant, regardless of the type of service applied for, to demonstrate and satisfactorily establish credit in such form and manner as may be prescribed by the Cooperative. The satisfactory establishment of credit shall not relieve the applicant from complying with the Tariff provisions for prompt payment of bills. Credit history shall be applied equally for a reasonable period of time to a spouse or former spouse who shared the service. Credit history maintained by one must be applied equally to the other without modification and without additional qualifications not required of the other. Notwithstanding any provisions of these Rules to the contrary, the following Rules shall apply to the establishment of credit.

302.1 **Establishment of Credit for Permanent Residential Applicants.**

   An applicant for permanent residential service may satisfactorily establish credit and shall not be required to pay a deposit by meeting one of the following qualifications:

   A. **Credit Rating**

      If the residential applicant demonstrates a satisfactory credit rating by appropriate means.

   B. **Senior Citizens.**

      If the applicant for permanent residential service is sixty-five (65) years of age or older and does not have an outstanding account balance with the Cooperative or another utility providing electric service which accrued within the last two (2) years; or

   C. **Other Means.**

      1. Automatic Bank Draft
      2. Automatic Credit Card
      3. Prepaid Meter Service

302.2 **Security Deposit.**

   If the credit of an applicant for any type of service has not been established satisfactorily to the Cooperative, the applicant may be required to make a deposit, subject to the following provisions:
A. Permanent Residential, Commercial and Industrial Service.  
The required deposit for either an applicant or a Consumer for permanent residential, commercial or industrial service shall not exceed two months average annual billing as evidenced by the Consumer's billing history or an estimate made by the Cooperative's personnel.

B. Temporary, Seasonal, and Weekend Residences.  
The Cooperative may require an applicant for temporary, seasonal, weekend, or intermittent service to pay a deposit sufficient to reasonably protect the Cooperative against the assumed risk for any such service.

302.3 Additional Security Deposit

A. Increased Deposit

If the actual billing history of an account indicates the initial deposit collected is inadequate, an additional deposit may be collected.

B. Unsatisfactory Credit Rating

If the consumer does not maintain a satisfactory payment credit history, a deposit or an additional deposit may be requested at any time during the term service is provided.

C. The utility may disconnect service if the additional deposit or the current usage payment is not made within ten (10) days of request provided a written disconnect notice has been issued to the Consumer. Such disconnect notice may be issued concurrently with the written request for the additional deposit or current usage payment.

302.4 Reestablishment of Credit.

Every applicant who previously has been a Consumer of the Cooperative and whose service has been discontinued for non-payment of bills, meter tampering or
bypassing of meter shall be required, before service is rendered, to pay all amounts due the Cooperative or execute a deferred payment Agreement, if offered, and reestablish credit as provided in §302.3-§302.4 of these Service Rules and Regulations.

302.5 **Payment of Interest on Deposit; Refund of Deposit.**

The Cooperative shall pay monthly accumulated interest on all consumer deposits at an annual rate of one (1) percent compounded annually. If a refund of deposit is made within 30 days of receipt of deposit, no interest payment is required. If the Cooperative retains the deposit more than 30 days, payment of interest shall be made retroactive to the date of deposit.

Payment of the interest to the Consumer shall be made annually or at the time the deposit is returned or credited to the Consumer's account. The deposit shall cease to draw interest on the date it is returned or credited to the Consumer's account.

When service is not connected, or after disconnection of service, the Cooperative will promptly refund the Consumer deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service rendered.

When the Consumer has paid bills for service for twelve (12) consecutive residential billings or for twenty-four (24) consecutive commercial or industrial billings without having service disconnected for nonpayment of bill and without having more than two (2) occasions in which a bill was delinquent, and when the Consumer is not delinquent in the payment of the current bills, the Cooperative will promptly refund the deposit plus accrued interest to the Consumer in the form of cash or credit to a Consumer's bill. If the Consumer does not meet these refund criteria, the deposit and interest may be retained. See §325.3.

302.6 **Records of Deposits.**

The Cooperative shall keep records to show the name and address of each depositor, the amount and date of the deposit, and each transaction concerning the deposit.

The Cooperative shall issue a receipt of deposit to each applicant from whom a
deposit is received. If the receipt is lost, the depositor may establish a claim to the deposit by providing the Cooperative with other reasonably satisfactory evidence.
303. **Cooperative Action on the Application.**
The Cooperative shall consider the offer to purchase electric service and act upon it within a reasonable time by either granting the application (conditionally, subject to these Rules) or refusing service in accordance with this Tariff.

303.1 **Granting Application.**
The Cooperative may grant an application by:

A. **Signature.**
   Having its authorized officer or employee sign the Electric Service Agreement on behalf of the Cooperative; or

B. **Initiating Service.**
   Making electricity available at the Service Location.

303.2 **Refusal of Service.**
The Cooperative may refuse service if:

A. **Credit.**
   Applicant/Consumer has failed or refused to satisfactorily establish credit in accordance with the provisions of §302 of these Rules;

B. **Fulfillment of Conditions Precedent.**
   Applicant/Consumer has failed or refused within a reasonable time to fulfill any condition precedent to performance (see §304.2);

C. **Indebtedness.**
   Applicant/Consumer has failed or refused to pay any indebtedness to the Cooperative, for electric service or any other service provided by the Cooperative; or

D. **Membership.**
   Applicant/Consumer has failed or refused to pay the membership fee or qualify for membership in the Cooperative in accordance with the provisions of law; or
E. **Hazardous Condition.**
   It has come to the Cooperative's attention that Consumer's installation or
equipment is hazardous or of such character that satisfactory service cannot be
given.

303.3 **Insufficient Grounds For Refusal to Serve.**
The following shall not constitute sufficient cause for refusal of service to a
present Consumer or applicant:

A. Delinquency in payment for service by a previous occupant of the premises to
   be served;

B. Failure to pay a bill to correct previous under billing due to misapplication of
   rates more than six (6) months prior to the date of application;

C. Violation of the Cooperative's Rules pertaining to operation of nonstandard
   equipment or unauthorized attachments which interfere with the service of
   others, or other services such as communication services, unless the Consumer
   has first been notified and been afforded reasonable opportunity to comply
   with said Rules;

D. Failure to pay the bill of another Consumer at the same address except where
   the change of Consumer identity is made to avoid or evade payment of a
   utility bill. A Consumer may request a supervisory review if the Cooperative
determines that evasion has occurred and refuses to provide service.
304. **Contract for Service.**
The grant of an application shall operate as an acceptance of Applicant's offer to purchase electric service.

304.1 **Terms of Contract.**
The terms of the contract are the provisions of the Electric Service Agreement (including this Tariff) and any applicable easement.

304.2 **Conditions to be Fulfilled by Applicant or Consumer Prior to the Rendition of Service.**
As conditions precedent to the performance or obligation to perform any part of the contract for electric service by the Cooperative or the provision of any electric service Consumer shall:

A. **Comply with the Law.**
Consumer warrants to the Cooperative that he/she has complied with all Federal, State, County, and Municipal regulations governing the service applied for and shall remain in compliance. The Cooperative does not undertake to determine if the Consumer is in compliance with the law and the provision of service shall not be construed as any indication of compliance; however, the Cooperative may require a copy of any approval required by law, ordinance or regulation prior to the provision of service; and

B. **Comply with Service Rules.**
Applicant/Consumer shall comply with the Service Rules and Regulations of the Cooperative governing the service applied for; and

C. **Consumer's Installation.**
Consumer warrants to the Cooperative that the Consumer's installation is constructed in accordance with the latest revision of the National Electrical Code published by the National Fire Protection Association and/or the latest revision of the National Electrical Safety Code published by the Institute of Electrical and Electronics Engineers, Inc., as may be applicable. Consumer further warrants to the Cooperative that Consumer's installation will be maintained in accordance with such Code publications. The Cooperative does not undertake to determine if the Consumer's installation complies with such
standards and the provision of service shall not be construed as any indication of compliance; however, should it come to the attention of the Cooperative that the Consumer's installation does not conform to such standards, Consumer may be required to conform prior to the provision of service; and;

D. Easement.
The applicant for service shall grant or secure to the Cooperative at applicant's expense any and all easements for right-of-way, the form and content of which is satisfactory to the Cooperative. The form of an acceptable utility easement is contained in Section IV of this Tariff. This form may be altered by the Cooperative to fit particular circumstances; and;

E. Construction Costs.
Applicant/Consumer shall fulfill all obligations for the payment of construction costs in the manner prescribed in the Service Rules and Regulations governing line extension.

304.3 Assignment of Contract.
The Consumer shall not assign the Contract except by written consent of the Cooperative or in compliance with the Articles of Incorporation and Bylaws of the Cooperative. The Contract shall inure to the benefit of the Cooperative's assigns.

304.4 Modification by the Parties.
The contract for electric service may be modified or terminated by Agreement of both the Cooperative and the Consumer only if such Agreement is made in writing and signed by both parties.
305. **Line Extension Policy.**

305.1 **Line Extension, Modification, and Removal Policy.**

It shall be the policy of the Cooperative to extend distribution facilities up to a connected meter in accordance with the definitions contained herein. Cooperative reserves the right to specify the location of all metering equipment and lines. Connected meter means an electric meter placed in service to measure the power and energy of a consuming facility that uses and regularly consumes electricity and produces revenue for the Cooperative from the sale of electricity used by the consuming facility. This policy applies to Consumer requested line extensions (new construction), temporary facilities, and modifications and/or removal of existing facilities.

Upon application Consumer will pay an Application Fee of $250.00. This amount is a non-refundable fee and is not applied as contribution in aid of construction. The Basic Application Fee is not reduced and/or negated by any allowance that the Consumer may qualify for as specified later in this article.

The amount to be paid by the Consumer as contribution in aid of construction shall be equal to the actual costs incurred by RGEC in fulfilling the Consumer’s request less any allowance for which the Consumer may qualify. Conditions for allowance are as specified later in this article. Costs shall include but not be limited to the expenses associated with design, contractor or consultant fees, staking, material acquisition, labor, overhead, and transformers and any necessary spare transformers larger than 75 KVA. All payments received in this regard shall be contributions in aid of construction and are not refundable.

The Cooperative will prepare a project cost estimate and the Consumer will be required to pay this amount in advance, less any qualified allowance. This amount is in addition to the Basic Application Fee of $250.00. If the actual costs of construction are less than the amount quoted to the Consumer by the Cooperative, the Consumer will receive a credit for the difference. If the actual costs of construction are more than the amount quoted to the Consumer by the Cooperative, the Consumer will reimburse the Cooperative the difference.

The Consumer will be responsible for acquiring all required easements. Should
the Cooperative incur any expenses in the acquisition of easements, the Consumer will be required to reimburse RGEC for any such expenses. If a survey is required for any easement the Consumer will pay all associated costs including but not limited to attorney, surveyor, and filing fees.

The following Types of Line Extensions may qualify for an allowance. It shall be the sole responsibility of the Consumer to obtain all easements. Consumer warrants to the Cooperative that all easements are valid and comply with all local, federal, and state laws applicable thereto. Consumer agrees to defend, indemnify, and hold harmless the Cooperative and its directors, employees, and agents against all claims, suits, liabilities, judgments, losses and expenses (including without limitation attorneys’ fees and costs of litigation, whether incurred for the Cooperative’s primary defense or Cooperative’s enforcement of its indemnification rights hereunder) and any fines, penalties, and assessments arising out of Consumer’s provision of all easements.

305.1.1 Type of Construction

A. TYPE A – Primary Residence

A primary residence is defined as a permanent single-family home that the Consumer resides in a majority of the time. The primary residence must be located on property owned by the Consumer. If the structure is a trailer home or manufactured home it must be anchored to a foundation with the axles and towing attachments removed. The structure must be connected to a public sewer or approved on-site septic system and an external potable water supply furnished by a water utility or privately owned water well. See §370.17 Permanent Installation

Exclusions from Type A classification include but are not limited to the facilities and equipment listed in §305.1.1.

As an allowance for Type A Line Extensions, Consumer will not be required to pay contribution in aid of construction for up to 150 feet of overhead secondary. If Consumer requests underground
service, no allowance shall be permitted.

A Consumer is limited to one (1) Type A allowance. By definition, a Consumer may not have two primary residences.

A Consumer may be required to furnish documents supporting qualification for this exemption. Documents furnished shall have addresses matching the location of the residence. Post office box addresses may be acceptable provided the zip code matches the post office serving the area in which the residence is located. An adjacent zip code area may be acceptable provided the Consumer can show that the post office for the adjacent area is more convenient to the Consumer’s location. Examples of supporting documents include but are not limited to the following:

1. Valid drivers license
2. Federal or state identification card
3. Voters registration card
4. Homestead exemption documentation
5. Property deed

B. TYPE B – Irrigation and Livestock Water Wells

Irrigation loads are electric motors used to power pumps used for the sole purpose of supplying water to agricultural crops. Loads may include well, transfer, sprinkler, and/or pressure pumps. The Cooperative reserves the right to specify minimum horsepower and pump capacity requirements for qualification under this type.

Exclusions from Type B classification include but are not limited to the facilities and equipment listed in §305.1.1.

To qualify under this exemption Consumers must commit to a twelve-month contract.

The Cooperative will contribute up to $3,000 as an allowance
towards a Type B line extension.

C. TYPE C – Agricultural

Type C Agricultural loads are associated with buildings and facilities specifically designed and utilized in the production and processing of crops and livestock. Irrigation and livestock water wells are covered under Type B classification. Farm and ranch properties are limited to one Type C allowance per property. This limitation does not prohibit farm and ranch facilities on the same property from qualifying under other types, such as Type A Primary Residence, or Type B Irrigation and Livestock Water Wells. To qualify for a Type C allowance, the facility must be designed for and used exclusively in the production and processing of crops and livestock. Facilities that qualify for this allowance include but are not limited to barns, sheering pens, transfer pumps, squeeze chutes and tack buildings.

Exclusions from Type C classification include but are not limited to the facilities and equipment listed in §305.1.1.

The Cooperative will contribute up to $3,000 as an allowance toward a Type C line extension.

D. TYPE D – Commercial Class I

Type D Commercial Class I loads are associated with facilities whose primary function is the generation of revenue through sales of goods and services. Typical Type D loads include but are not limited to restaurants, bakeries, motels, hotels, convenience stores, offices, mechanic shops, service stations, and grocery stores.

To qualify for an exemption under TYPE D, commercial facilities must be permanent. Type D facilities must be connected to a public sewer or approved commercial on-site septic treatment system and be connected to an external state approved potable
water supply. Type D commercial facilities must be in operation a minimum of forty hours per week throughout the year with the exception of major holidays and weekends.

Exclusions from Type D classification include but are not limited to the facilities and equipment listed in §305.1.1.

The Cooperative will contribute up to $3,000 as an allowance toward a Type D line extension.

Consumers may be required to furnish documentation including but not limited to a copy of their sales tax certificate and on-site septic treatment facility certification to verify qualification as a Type D Consumer.

E. TYPE E – Commercial Class II

Type E Commercial Class II loads include but are not limited to oil and gas refining, telecommunications facilities, mining, manufacturing, and warehousing.

The Cooperative will evaluate Type E loads on an individual basis to determine if they qualify for an allowance.

The Cooperative will contribute up to $3,000 as an allowance towards qualifying Type E line extensions.

Consumers may be required to furnish documentation to support a request for a Type E allowance.

F. TYPE F – Governmental Entity

Type F Governmental Entity loads are associated with facilities owned and operated by federal, state, or local governmental entities.
The Cooperative will evaluate Type F loads on an individual basis to determine if they qualify for an allowance.

The Cooperative will contribute up to $3,000 as an allowance towards qualifying Type F line extensions.

Consumers may be required to furnish documentation to support a request for a Type F allowance.

305.2 Subdivision Development
A “recreational subdivision” shall be defined as a development area where use of all real property located within the development area is limited to recreational uses and activities including, but not limited to, hunting, fishing, swimming, boating, camping, picnicking, hiking, pleasure, driving, nature study, cave exploration, water sports, and other recreational activities.

“Commercial subdivision” means any platted territory where the frontage is improved with buildings in use for commercial purposes. Commercial purposes include, but are not limited to, restaurants, convenience stores, radio towers, cathodic protection units, stock water wells, telephone equipment rooms, garages, shopping centers, and mining facilities.

“Residential subdivision” means any territory for which a plat is recorded in the county real property records and in which the majority of lots are subject to deed restrictions limiting the lots to residential use.

Developers shall pay the full cost of the electrical distribution system infrastructure in the following subdivisions: residential subdivisions, commercial subdivisions, recreational subdivisions, subdivisions with tracts smaller than 100 acres, and subdivisions within municipal boundaries.

Developers shall pay for all facilities required by political subdivisions such as street lighting.

Developers shall furnish the Cooperative with a preliminary recorded plat map including an estimate of the types of consuming facilities and total number of
meters to be served. The preliminary plat will fully describe the easement areas dedicated for the Cooperative’s distribution system and include a statement in the preliminary plat stating that the Developer will be responsible for the costs associated with the installation of the electrical distribution infrastructure. After approval of the preliminary plat map by the Cooperative the Developer will obtain and provide to the Cooperative a legally recorded plat map which is in full compliance with all city, county, and state laws and requirements for such developments.

305.3 Ownership of Distribution Facilities.
The Cooperative shall retain ownership of all overhead and underground material and facilities installed by the Cooperative for the distribution of electric energy, whether or not the same have been paid for by the Consumer. All lines and facilities constructed or installed by the Cooperative are the property of the Cooperative.

305.4 Line Relocation Policy.

A. Line relocations for political subdivision (e.g., highway widening, highway relocations, new roads):

It shall be the policy of the Cooperative to require the reimbursement or prepayment of the total cost of the line relocation of overhead and underground material and facilities, less any amount expended for the sole benefit of the Cooperative for the upgrading of any of the Cooperative's facilities relocated.

B. Line Relocations necessitated by the actions or for the convenience of others:

It shall be the policy of the Cooperative to require the reimbursement or prepayment of the total cost of the line relocation of overhead and underground material and facilities, less any amount expended for system improvements for the sole benefit of the Cooperative.

305.5 Right-of-Way Clearing.
It will be the responsibility of the applicant to provide at the applicant's expense a
cleared right-of-way acceptable to the Cooperative for the installation of the Cooperative's distribution facilities. Trenching, backfill, and raceways required for underground line extensions will be provided by the applicant at the applicant's expense.

305.6 Consumer Constructed, Cooperative-Owned and Maintained Facilities.

A. Application Fee.
Consumer will be required to pay an Application Fee of $250.00 prior to any work being carried out by the Cooperative. This payment is a fee and will not be applied as contribution in aid of construction.

B. Agreement.
The Applicant will be required to enter into an agreement which will provide that all construction performed by the applicant or his agents will be in accordance with U.S. Department of Agriculture, Rural Utilities Service (“RUS”) and the Cooperative specifications and guidelines and must comply with all current National Electric Safety Code (“NESC”), federal, state, and local codes, statutes, and other requirements. In executing such agreement, applicant shall also specify the contractor(s) that will be performing the construction. Such contractor(s) must be on the Cooperative’s approved list of qualified contractors or must thereafter be qualified by the Cooperative.

C. Engineering Services.
The Cooperative will design, stake, and inspect the line extension. Depending on the length of line and complexity of construction the Cooperative may perform periodic inspections during construction. In any case, the Cooperative will perform a final inspection and a report of deficiencies, if any, will be furnished to the Applicant for remedy prior to the Cooperative energizing and assuming ownership of the line extension. The applicant will pay in advance an engineering fee equal to 7.5% of the total estimated cost of constructing the line extension. The Cooperative reserves the right to amend the percentage (currently 7.5%) based on actual experience. If the Applicant subsequently decides not to construct the line and the Cooperative constructs the line extension the engineering fee will be applied against the costs of constructing the line extension. If the applicant subsequently decides that a
line extension will not be built or completed the engineering fee will be applied against any and all outstanding expenses the Cooperative has incurred related to the line extension request and only the unexpended balance if any will be refunded. After construction of Consumer constructed facility has been completed, has passed Cooperative inspection, and the Cooperative has assumed ownership of the facilities unexpended engineering fees, if any will be reimbursed to the member. Expended engineering fees shall be contributions in aid of construction and will not be refundable.

D. Materials.

All construction materials to be used in construction of the line extension shall be as specified by the Cooperative and shall be purchased from the Cooperative. The Cooperative will furnish the Applicant with an estimated cost of materials for the line extension. Applicant must pay the Cooperative in advance an amount equal to the total estimated cost of materials for the line extension. Materials shall not be billed through third parties such as contractors. If the payments received from Applicant exceed the total actual cost of the line extension, the Applicant will receive a refund. If the payments received from the Applicant are less than the total actual cost of the line extension, the Applicant will be required to pay the difference.
E. Procedures.

1. Inspections.

The applicant shall advise the Cooperative’s engineering department as to the date he intends to begin construction and shall also notify the Cooperative when construction has proceeded to certain milestones specified by the Cooperative, so that the Cooperative may inspect work done, up to that point (e.g., before covering underground cable, etc.). Applicant shall make corrections or changes as may be required to overcome any deficiencies noted during Cooperative inspections. Upon completion of construction of remaining facilities, applicant shall so notify the Cooperative. The Cooperative will then perform a final inspection and will advise applicant of any additional corrections or changes required; provided, however, that no changes will be required on work previously inspected and approved by the Cooperative. The Cooperative shall verify any corrections or changes identified in the final inspection and connection of the applicant-constructed facilities to the Cooperative’s facilities will not be made until such corrections or changes have been made.

2. Connection to Cooperative System.

In the event the Cooperative must construct certain facilities (i.e., the “non-consumer constructed facilities”), in order to provide service to the applicant, such construction shall be commenced so as to be completed at the same time as the consumer owned facilities are completed or as soon as practicable thereafter. In no case will the applicant or any of his agents be allowed to connect facilities constructed by or on applicant’s behalf to the Cooperative’s energized system. The Cooperative shall perform all such connections, including primary connections, installation of and connection of transformers, and installation of meters.

305.7 Special Circumstances.

Recognizing that special situations may arise, the CEO or his designee, at his sole
discretion, may make exceptions or allow special provisions that are different than is provided for in this policy. An exception so granted does not constitute a policy change for any future or similar circumstances.
306. **Meters.**

306.1 **Location and Installation of Meter.**
Meters and service switches in conjunction with the meter shall be installed in accordance with the latest revision of American National Standards Institute, Inc., Standard C 12 (American National- Code for Electricity Metering), and will be readily accessible for reading, testing and inspection, and where such activities will cause minimum interference and inconvenience to the Consumer. Consumer shall provide, without cost to the Cooperative, at a suitable and easily accessible location: (1) sufficient and proper space for installation of meters and other apparatus of the Cooperative, (2) meter board, (3) meter loop, (4) safety service switches when required and (5) an adequate anchor for service drops. All meters installed after July 1980 shall be located as set forth herein, provided that, where installations are made to replace meters removed from service, this section shall not operate to require any change in meter locations which were established prior to July 1980, unless the Cooperative finds that the old location is no longer suitable or proper, or the Consumer desires that the location be changed. Where the meter location on the Consumer's premises is changed at the request of the Consumer, or due to alterations on Consumer's premises, the Consumer shall provide and have installed at his/her expense, all wiring and equipment necessary for relocating the meter.

306.2 **Type of Meter and Ownership of Meter.**
The Cooperative shall provide, install, own, and maintain all meters necessary for the measurement of electrical energy. Such meters shall be of a standard type which meet industry standard; however, special meters not conforming to such standards may be used for investigative or experimental purposes.

306.3 **Tampering with Cooperative's Meter or Equipment or Bypassing the Same.**
No person except an employee or authorized agent of the Cooperative shall alter, remove or make any connections to the Cooperative's meter or service equipment. No meter seal may be broken by anyone other than a Cooperative employee or authorized agent; provided, however, when deemed necessary by the Cooperative, consent may be given to an approved electrician, employed by a Consumer, to break the meter seal.
The following uniform procedures will be followed in cases where there is evidence of meter tampering or current diversion or where a Consumer is in any way receiving the benefit of otherwise unmetered electric energy:

A. Upon discovery that a meter has been tampered with or that the Consumer is receiving unmetered electric service, such Consumer may be immediately disconnected. See §351.3 of these Service Rules and Regulations.

B. Proper evaluation of such tampering will be fully documented. Estimated load and usage of the Consumer will also be documented at the time of disconnection.

C. The Consumer will be required to come to one of the Cooperative's offices, designated by the Cooperative; and make the following restitutions, as listed, and in accordance with the rules of the Commission, before electric service will be restored:

1. Payment of a minimum charge of $250.00 for expenses incurred by the Cooperative for investigation, disconnecting and estimating the billing for unmetered energy and for any damage to the Cooperative's equipment caused by tampering or current diversion and restoration of the Cooperative's and Consumer's facilities to the Cooperative's specifications; actual charges may be higher and will be provided on an itemized statement to the Consumer.

2. Payment for estimated unmetered energy used by the Consumer and interest on the unmetered amount for the entire period of under billing.

3. Payment of all other charges owed by the Consumer.

4. Execution of a statement of understanding that should tampering occur again under like circumstances, that electric service may be permanently disconnected.
5. Payment of security deposit if required by the Cooperative.

6. Compliance with other requirements of any appropriate regulatory agencies.

7. Restoration of the Cooperative and consumer's facilities to the Cooperative's specifications.

D. All charges will be paid at such reasonable time and place as determined by the Cooperative.

E. After all charges have been paid; the meter shall be reset and sealed.

306.4 Pre-paid Meters

A. Metering for hunting camps and other types of service within the seasonal class of service, as determined by the Cooperative, shall be provided through a pre-paid meter. Members receiving electric energy under any class of service may be required to purchase energy through a pre-paid meter, if in the judgment of the Cooperative the member has been habitually delinquent. In such cases, the Cooperative may require members to pre-pay for electric energy received consistent with the following:

1. Once the Cooperative has made the decision to require a pre-paid meter, the member, so long as the service remains active, shall continue to receive energy for a period not less than twelve (12) months.

2. Following the twelve (12) month period described above, at the member’s request, the pre-paid meter may be replaced by a standard revenue meter and pre-paid service discontinued. However, should the member become delinquent again, the Cooperative may at its discretion require the member to pre-pay for electric energy.
3. If the member is required to return to pre-paid service pursuant to this article, such pre-paid service shall continue until the Cooperative determines it is no longer necessary.

B. A member may choose to request that the Cooperative install a pre-paid meter and begin pre-payment for electric energy regardless of the class of service, if they so desire.

1. Three-phase pre-paid meters are not available.

307. **Point of Delivery.**
The point of delivery of electric energy is the point where the Consumer's service entrance conductors are connected to the Cooperative's conductors. Such point shall be outside the Consumer's installation or structure(s) at a location, which will facilitate connection in accordance with the National Electrical Safety Code and standard operating practices of the Cooperative.

In special circumstances, the point of delivery may be located inside the Consumer's installation or structure if the Consumer makes a written request, which is approved by the CEO of the Cooperative.

308. **Initiation of Service.**
Electric service is provided to qualified applicants in the Cooperative's certificated area who have satisfactorily established credit and fulfilled all conditions precedent. The Cooperative shall inform the Consumer of any applicable rebates or programs, which allocate construction costs between Cooperative and Consumer, or between Consumer and other Consumers. The Cooperative shall make service available as rapidly as is practical within the following guidelines, and subject to platting certifications required by statute:

A. Within seven (7) working days if no line extension or new facilities are required;
B. Within ninety (90) days for permanent residential service requiring a line extension unless unavoidable delays occur;

C. All non-residential extensions will be built as soon as practicable.

309. **Levelized Budget Billing Plans.**

The Cooperative will offer Levelized Budget Billing Plans to Residential Consumers who meet the plan's eligibility requirements.

A. **Eligibility.**

1. The Consumer must not have more than two (2) termination notices issued during the preceding twelve (12) months.

2. The Consumer must be billed under the Cooperative's Residential rate.

3. The Consumer must have twelve (12) consecutive actual monthly billings, in his/her name at the current address during the most recent twelve months.

B. **Calculation of Monthly Bills.**

1. **Type L – Levelized Budget Billing** – The budget bill amount is recalculated every month based on the past 12-month’s bills.

2. **Type F – Fixed Monthly Payment Plan**

   Monthly payments are based on one-twelfth (1/12) of the annual historical 12 month billing. The fixed monthly billing period is the twelve (12) month period beginning with the first billing of the fixed monthly billing plan. The Cooperative may review each account periodically and may make adjustments to the monthly-fixed payment amount if the actual monthly payment exceeds the fixed payment by
50%, or more.

At the end of each twelve (12) month period, a new fixed amount will be determined based on the new annual historical 12 month billing. At the end of each 12 month period, the difference between the actual and the fixed monthly payments will be determined and this amount will be billed or credited on the first monthly billing of the next fixed monthly billing period.

C. Termination of Levelized Budget Billing Payment Plans.
1. The levelized budget billing payments are due upon issuance of each month's bill and are to be paid no later than sixteen (16) days after issuance. If the sixteenth (16th) day falls on a holiday or weekend, the due date will be the next workday. If the levelized budget billing payment is not made each month when due, the Cooperative reserves the right to declare the unpaid balance immediately due and payable.

2. If the Consumer fails to meet its obligations as set forth in the Levelized Budget Billing Payment Plan Agreement, the Cooperative may disconnect service to the Consumer pursuant to the disconnection rules provided in §351 of these Service Rules and Regulations.

3. The Cooperative may collect a deposit not to exceed an amount equivalent to one-sixth (1/6) of the estimated annual billing. See §302.1 for information regarding establishment of credit in lieu of security deposits. The Cooperative may retain said deposit for the duration of the Level Payment Plan Agreement; however, interest will be paid on the deposit as provided in §302.5 of these Service Rules and Regulations.

4. If the Consumer moves, or for any other reason
discontinues electric service, the difference between the actual and levelized monthly payments will be determined and, if such difference reflects an amount owed to the Cooperative, that amount shall become immediately due and payable. If such difference reflects an amount owed to the Consumer, that amount shall be refunded to the Consumer, net of any amounts required to satisfy any financial obligations owed to the Cooperative by the Consumer.

5. This Levelized Budget Billing Payment Plan Agreement may be canceled by either the Consumer or the Cooperative upon ten (10) days written notice, and the Cooperative's normal billing and payment procedures will then apply.

[310. through 319. Reserved for Expansion]
320. **Electric Energy.**

320.1 **Delivery of Electric Energy.**
If Applicant/Consumer has satisfied all conditions and performed all obligations contained in the foregoing Service Rules, the Cooperative shall provide electric energy to Consumer at the point of delivery. The Cooperative may limit the amount of electric energy furnished.

320.2 **Characteristics of Electric Energy.**

A. **Voltage.**
The Cooperative shall make available the following standard configurations for secondary voltage service:

<table>
<thead>
<tr>
<th>Single Phase</th>
<th>Configuration</th>
</tr>
</thead>
<tbody>
<tr>
<td>120/240</td>
<td>3 wire</td>
</tr>
<tr>
<td>240/480</td>
<td>3 wire</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Three Phase</th>
<th>Configuration</th>
</tr>
</thead>
<tbody>
<tr>
<td>120/208</td>
<td>4 wire wye</td>
</tr>
<tr>
<td>240</td>
<td>3 wire delta</td>
</tr>
<tr>
<td>120/240</td>
<td>4 wire delta</td>
</tr>
<tr>
<td>480</td>
<td>3 wire delta</td>
</tr>
<tr>
<td>277/480</td>
<td>4 wire wye</td>
</tr>
</tbody>
</table>

The voltage ratings are nominal and actual delivery voltages may vary from the values listed.

B. **Frequency.**
The Cooperative's wholesale power supplier controls the frequency of current provided by the Cooperative. Generally, the Cooperative provides alternating current at a standard frequency of sixty (60) cycles per second. Except for infrequent and unavoidable fluctuation, this standard is usually maintained within one-tenth (1/10) of a cycle per second above and below the standard.

321.1 Overhead Service Drop.
Electric service is generally available to Consumers throughout the Cooperative's service area from overhead distribution facilities. The Cooperative, however, may refuse to provide overhead service in any area where the Cooperative has or expects substantial investment in overhead distribution facilities.

321.2 Underground Electric Service.
Electric service from underground distribution facilities is available to Consumers requesting such service. In areas served by the Cooperative's underground distribution system phase and voltage of electric service may be limited to that which can be provided from existing facilities. The Cooperative determines the location and routing of underground distribution facilities. Before the installation of underground distribution facilities, Applicant will complete rough site grading, establish final grade along conductor route, expose to view any underground installation including gas lines, water lines, waste water lines, communication lines, etc., and clear the area of all obstructions. The Applicant shall also provide a ditch for Cooperative facilities at Applicant’s expense and in accordance with Cooperative specifications. No change shall be made in the grade along the conductor route without the consent of the Cooperative. Any change in grade, which requires lowering electrical conductors is at the expense of the Applicant. See §305.5

321.3 Mobile Home Parks.
In Mobile home parks and similar installations, the Cooperative provides electric service through individual meters to each space for each consuming facility. Either underground or overhead service may be provided, and will be determined by the Cooperative. See §370.17 for definition of permanent installation/mobile home.

321.4 Apartments.
Electric service is provided through individual meters for each living unit or through one meter at each point of delivery for any number of living units.
321.5 R.V. Parks and Overnight Campground Facilities.
The Cooperative will provide central metering points on all recreational vehicle parks and overnight campground facilities. Individual meters will not be provided for temporary recreational vehicles and/or overnight campground sites.

321.6 Connections at Point of Delivery.
The Cooperative makes connections of its conductors to Consumer's conductors only at the point of delivery.
322. **Continuity of Electric Service.**

322.1 **Reasonable Diligence.**
The Cooperative uses reasonable diligence under standard utility practices to provide continuous and adequate service in accordance with the standards set forth in these Rules.

322.2 **Service Interruptions.**
Service interruptions may occur. The Cooperative shall make reasonable efforts to prevent service interruptions. When interruptions do occur the Cooperative shall reestablish service within the shortest possible time.

The Cooperative may interrupt service to provide necessary civil defense or other emergency service in the event of a national emergency or local disaster. The Cooperative may also interrupt service as necessary for maintenance, repairs, construction, moving of buildings or oversized objects, relocation or changes of facilities, to prevent or alleviate an emergency which may disrupt operation of all or any portion of the Cooperative's system, to lessen or remove risk of harm to life or property, and to aid in the restoration of electric service.

322.3 **Service Irregularities.**
Irregularities in service such as voltage surges may occur. Consumer is responsible for installing and maintaining devices which protect his/her installation, equipment, and processes during periods of abnormal service conditions, including, but not limited to, single phasing of a multi-phase system. If in the consumer’s opinion consumer’s equipment has been damaged as a result of negligence on the part of the Cooperative, then said consumer may submit a claim for reimbursement for damage. The initial consumer claim for damage must be received no later than forty-five (45) days from the event believed by the consumer to have caused damage. Consumer claim forms may be submitted at any of the Cooperative’s offices. Additional information such as receipts, cost estimates, proof of purchase, etc., must be submitted no later than ninety (90) days following the event purported to have caused damage to consumer’s equipment. See §404.
322.4 Investigation of Service Interruptions and Irregularities.
The Cooperative will make reasonable investigations of service interruptions and
irregularities reported by a Consumer. Such investigations normally terminate at
the point of delivery. If standard service voltage exists at this point and the
Cooperative's service facilities are in good condition, the Consumer shall be so
advised. The Cooperative shall not be obligated to inspect Consumer's conductors,
installation, or equipment.

322.5 LIMITATION OF LIABILITY FOR SERVICE INTERRUPTION,
IRREGULARITY, AND FORCE MAJEURE.
THE COOPERATIVE SHALL NOT BE LIABLE FOR EITHER DIRECT,
SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES RESULTING
FROM FAILURES, INTERRUPTIONS, OR VOLTAGE AND WAVE FORM
FLUCTUATIONS OCCASIONED BY CAUSES REASONABLY BEYOND
THE CONTROL OF THE COOPERATIVE, INCLUDING, BUT NOT LIMITED
TO, ACTS OF GOD OR PUBLIC ENEMY, SABOTAGE AND/OR
VANDALISM, ACCIDENTS, FIRE, EXPLOSION, LABOR TROUBLES,
STRIKES, ORDER OF ANY COURT OR JUDGE GRANTED IN ANY BONA
FIDE ADVERSE LEGAL PROCEEDINGS OR ACTION, OR ANY ORDER OF
ANY COMMISSION, TRIBUNAL OR GOVERNMENTAL AUTHORITY
HAVING JURISDICTION. FOR CLAIMS RESULTING FROM FAILURES,
INTERRUPTIONS, OR VOLTAGE AND WAVE FORM FLUCTUATIONS
OCCASIONED IN WHOLE OR IN PART BY THE NEGLIGENCE OF THE
COOPERATIVE OR ITS AGENT(S), THE COOPERATIVE SHALL BE
LIABLE ONLY FOR THAT PORTION OF THE DAMAGES ARISING FROM
PERSONAL INJURIES, DEATH OF PERSONS, OR COSTS OF NECESSARY
REPAIRS TO OR REASONABLE REPLACEMENT OF ELECTRICAL
EQUIPMENT PROXIMATELY CAUSED BY THE SOLE NEGligent ACTS
OF THE COOPERATIVE OR ITS AGENT(S). THE COOPERATIVE SHALL
NOT BE LIABLE IN ANY EVENT FOR SPECIAL, INDIRECT, OR
CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION,
LOSS OF PROFITS, LOSS OF REVENUES, LOSS OF PRODUCTION, OR
ATTORNEYS’ FEES AND COSTS OF LITIGATION.

323.1 Receipt of Electric Energy.

A. Exclusive Use.
When electric service is available, Consumer shall purchase from the Cooperative all electric energy and service required to be used by the Consumer from a single consuming installation.

Consumer may not connect his/her lines to another source of electric energy in a manner that may permit electric energy to flow into Cooperative's system from such source without a written agreement with the Cooperative.

B. Consumer's Installation.
Consumer shall at all times maintain his/her installation in accordance with the latest revision of the National Electrical Code published by the National Fire Protection Association and/or the National Electrical Safety Code published by the Institute of Electrical and Electronics Engineers, Inc., as well as other applicable standards that may be imposed by law, ordinance or regulation.

C. LIABILITY FOR INJURIES AND DAMAGES.
The Cooperative does not assume any duty of inspecting the Consumer's wiring, apparatus, machinery, or equipment, and will not be responsible therefore. It is particularly understood that the Consumer assumes full responsibility for electric current, and for the wires, apparatus, and appurtenances used in connection therewith, upon Consumer's premises and from the point of delivery of power if such point is located off Consumer premises, and will protect, indemnify, and save Cooperative, its directors, employees, and
323.2 Consumer's Use of Electric Energy.

A. Permitted Uses.
Electric energy provided through Cooperative's facilities shall be used by Consumer exclusively for the purpose or purposes specified in the availability clause of the rate schedule under which Consumer is receiving service and being billed.

B. Resale Prohibited.
Consumer shall not resell electric energy unless specifically provided for in writing by the Cooperative.

C. Uses Prohibited by Law.
Consumer shall not use electric energy for any unlawful purpose or in such a manner that it may endanger life or property.

323.3 Consumer's Electric Load.

A. Load Balance.
Cooperative requires Consumer to control the use of electric energy so that Consumer's electrical load at the point of delivery is in reasonable balance.
B. **Allowable Motor Starting.**
The following motors may be started across-the-line provided, however, that the Cooperative determines that its facilities are adequate and the frequency of starts are such that other Consumer service will not be adversely affected.

<table>
<thead>
<tr>
<th>Single Phase</th>
<th>Three Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to and including 10 Horsepower</td>
<td>Up to and including 100 Horsepower</td>
</tr>
</tbody>
</table>

Larger motors will require motor-starting devices of a type approved by the Cooperative and are to be provided and installed by the Consumer.

Groups of motors starting simultaneously are classified as one motor.

C. **Intermittent Electrical Loads.**
Consumers with equipment (such as, but not limited to, spot and arc welding machines, x-ray machines, arc-furnaces, elevators, dredges, locomotives, shovels, feed grinders, etc.) whose use of electricity is intermittent and subject to violent fluctuations must be served by a dedicated transformer. Except for individual transformer type arc welders whose rated primary input current does not exceed 15 amperes at 120-volt operation or 30 amperes at 240-volt operation (38 amperes if Consumer is served by an individual transformer), Consumers contemplating the installation of such equipment are to make specific prior arrangements with Cooperative.

D. **Equipment Necessary to Limit Adverse Effects.**
Cooperative may require Consumer to provide, at Consumer's expense, suitable apparatus to limit the effect of voltage fluctuations caused by electric equipment in Consumer's
installation where Consumer is found to be operating electrical equipment which produces voltage fluctuations, interference, harmonics or distorted wave forms which adversely affect electric service provided by Cooperative to other Consumers.

Consumers utilizing nonlinear loads, such as, but not limited to, adjustable speed drives and uninterruptible power supplies, must employ devices that limit the harmonic voltage and current distortion limits to those set out in IEEE Std 519 5.1 and 5.2.

In lieu of requesting Consumer to install such suitable or special equipment limiting such adverse effect, Cooperative may, at its option, install at Consumer's cost, additional transformer capacity (which may or may not be dedicated solely to such Consumer) or other equipment specially designed to reasonably limit such adverse effect.

E. Voltage and Wave Forms Sensitive Equipment.  
A Consumer planning the installation of electric equipment such as, but not limited to, computers, communication equipment, electronic control devices, etc., whose performances may be adversely affected by voltage fluctuations and distorted 60 hertz wave forms is responsible for providing and installing the necessary facilities to limit these adverse effects.

F. Change in Consumer's Electrical Load.  
Consumer shall notify Cooperative with reasonable time in advance of any substantial change in Consumer's electrical load. The Cooperative may require information concerning the nature of the load and electric service requirements as well as the expected duration of the load.

If in the judgment of the Cooperative there is an increase in any electric service requirement for which, under standard engineering practice, it would be desirable to construct additional facilities, then the Cooperative may charge in advance as aid to construction
or as an increased minimum a reasonable amount not to exceed the actual cost of such facilities together with the cost of any additional facilities required to be constructed by the Cooperative's wholesale power supplier to service Consumer's load. The Cooperative may require the Consumer to execute a new contract for electric service specifying appropriate terms including the maximum load, increased minimum or aid to construction.

323.4 **Power Factor.**
If the power factor of the Consumer's load is less than ninety percent (90%), Cooperative may require the Consumer to install appropriate equipment to maintain a power factor of at least ninety (90%) or, at the Consumer's option, to reimburse Cooperative for installing the necessary equipment. See §203.4.

323.5 **Access.**
Consumer will allow personnel authorized by Cooperative access to Member's premises to inspect, install, remove, or replace Cooperative's property; to read Cooperative's meters, and to perform other activities necessary to provide electric service, including tree trimming and tree removal where such trees in the opinion of Cooperative constitute a hazard to Cooperative's personnel or facilities, or jeopardize the provision of continuous electric service. Refusal on the part of the Consumer to provide reasonable access for the above purposes may, at Cooperative's option, be sufficient cause for discontinuance of service. For the purpose of this section, reasonable access shall include the installation of Cooperative padlocks in all access gates deemed necessary by Cooperative personnel.

323.6 **Protection of Cooperative's Facilities on Consumer's Premises.**
Consumer shall use reasonable diligence to protect Cooperative's personnel and facilities on Consumer's premises.

In the event of loss of, or damage to, Cooperative's facilities on Consumer's premises caused by or arising out of carelessness, neglect, or misuse by the Consumer or unauthorized persons, Cooperative may require the Consumer to reimburse the Cooperative the full cost for such damage.
324. **Billing.**

The Consumer shall be obligated to pay for the total amount of charges for electric service shown on the Consumer's bill. Such charges shall be computed in accordance with the Cooperative's latest rate schedule or schedules applicable to the class or classes of service furnished to the Consumer and these Rules.

324.1 **Determining-Usage of Electric Energy.**

Usage of electric energy (expressed as kWh) is usually determined by a meter reading. Electric energy usage is measured at the metering point regardless of whether or not it is the same as the point of delivery.

324.2 **Meter Reading.**

A. It is the responsibility of the Member to read his/her meter on a monthly basis and provide such reading to the Cooperative, unless otherwise advised in writing by the Cooperative. The Cooperative will advise the Consumer of his/her responsibility in providing meter readings. If the Consumer does not provide these readings at the end of three (3) consecutive months the Cooperative will take such a reading and charge the Consumer a trip fee per meter.

B. At the Cooperative's option it may read all three-phase power meters.

324.3 **Meter Test and Accuracy Adjustment.**

Upon request of a Consumer, and if he or she desires, in the Consumer's presence or the presence of his or her authorized representative, the Cooperative shall test the accuracy of the Consumer's meter. The test shall be made during the Cooperative's normal working hours at a time convenient to the Consumer if he or she desires to observe the test. The test may be made on the Consumer's premises or at a test laboratory determined by the Cooperative. If the meter has been tested by the Cooperative, or by an authorized agency, at the Consumer's request and within a period of two (2) years the Consumer requests a new test, the Cooperative shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, Inc., the Cooperative may charge the Consumer a fee which reflects the cost to test the
meter. This charge shall in no event be more than the amount specified in §204.3. Following completion of testing, the Cooperative shall promptly advise the Consumer of the date the meter was removed, if removed, the date of the test, the results of the test, and who made the test.

324.4 Terms of Payment.
Payment on each bill for utility service(s), regardless of the nature of the service(s), is due sixteen (16) days after issuance unless such day falls on a holiday or weekend, in which case payment is due on the next business day. The postmark, if any, on the envelope, shall constitute proof of the date of issuance. If full payment is not received in the office of the Cooperative or at any agency authorized by the Cooperative to receive payment on or before the date such bill is due, the Consumer's account will be considered delinquent and subject to disconnection in accordance with these Rules. (See §351 for disconnection.)

324.5 Disputed Bills.
In the event of a dispute between a Consumer and the Cooperative regarding any bill for electric utility services, the Cooperative shall make such investigation as shall be required by the particular circumstances.

Consumers shall not be required to pay the disputed portion of the bill, which exceeds Consumer's average monthly usage at current rates, pending the final decision pursuant to §325.2. For purposes of this Rule only, the Consumer's average monthly usage at current rates shall be the average of the Consumer's gross utility service for the preceding twelve (12) month period. When no previous usage history exists, consumption for calculating the average monthly usage shall be estimated on the basis of usage levels of similar Consumers and under similar conditions.

324.6 Deferred Payment Plan.
The Cooperative may at its discretion enter into a deferred payment plan for any amount owed to the Cooperative or any portion thereof, except where a deferred payment plan is required by this Section. The Cooperative is not required to enter into a Deferred Payment Plan with any Consumer that lacks a sufficient credit history or a satisfactory history of payment for previous service.
A. The Cooperative may offer, upon request, a deferred payment plan to any residential Consumer who has expressed an inability to pay all of his or her bill at any time during the preceding twelve (12) months, if that Consumer has not been issued more than two (2) disconnection notices within that period.

B. A five percent (5%) penalty may be charged for each late payment made under a deferred payment plan after the deferred payment plan agreement is initiated, but no finance charge may be imposed.

C. If a consumer has not fulfilled the terms of a deferred payment plan, the Cooperative shall have the right to disconnect service. Under such circumstances, the Cooperative shall not be required to offer subsequent negotiation of a deferred payment plan prior to disconnection.

324.7 Penalty on Delinquent Bills.
A one-time penalty of five percent (5%) may be applied to all delinquent bills, provided however that the penalty may not be applied to any balance to which the penalty was applied in a previous billing.

324.8 Overbilling and Underbilling.
A. If billings for electric service are found to differ from the Cooperative's lawful rates for the service being purchased by the Consumer, or if the utility fails to bill the Consumer for such service, the Cooperative shall calculate a billing adjustment.

B. If the Consumer is due a refund, an adjustment shall be made for the entire period of the overcharges.

C. If the Consumer was undercharged, the Cooperative may back bill the Consumer for the amount, which was under billed. The back billing is not to exceed six (6) months unless the utility can produce records to identify and justify the additional amount of back billing or unless such undercharge is a result of meter
tampering, bypassing, or diversion by the Consumer. Interest shall not apply to undercharged amounts unless such amounts are found to be the result of meter tampering, bypass, or diversion by the Consumer. Interest on undercharged amounts shall be compounded on an annual basis and shall accrue from the day the Consumer is found to have first tampered, bypassed, or diverted.

324.9 Bill Format.

Billing statements for electric service will be presented in a clear, readable format and easy to understand language.
325. **Consumer Relations.**

325.1 **Available Information.**

A. **Facilities for Providing Electric Service.**
   The Cooperative maintains at each of its business offices and makes available to applicants and others entitled to the information a current set of maps, plans, and records showing the facilities available for service.

B. **Cost of Providing Service.**
   For service by a residential applicant, the Cooperative shall inform the applicant of the lowest priced service alternatives available, taking into account applicable equipment options and installation charges.

C. **Tariffs.**
   At each of its business offices, the Cooperative maintains and makes available for inspection a copy of its current Tariffs including all rate schedules and rates relating to service. A copy of any applicable portion of the Tariff will be provided upon request.

D. **Meter Reading.**
   Upon request, the Cooperative advises its Consumers regarding the method for reading meters.

325.2 **Member Complaints**

A. In the event a Member desires to make a formal complaint concerning service received from the Cooperative, the Member shall request a Member Concern Form (See §409) from the area supervisor/manager at the appropriate area office location. Upon receipt of a completed member complaint form from a Member, the area supervisor/manager shall promptly make a suitable investigation and advise the Member of the results thereof within 15 working days and the Member's right to seek dispute resolution before the Cooperative's CEO. See §409
B. In the event the Member is dissatisfied with the area supervisor/manager's report, the Member may file a written notice of dispute with the Cooperative's CEO at the Cooperative's corporate office at P.O. Box 1509, Brackettville, Texas 78832. Upon receipt of the notice of dispute, the Cooperative's CEO shall review the investigation conducted by the area supervisor/manager and conduct any additional inquiry deemed necessary and issue a decision no later than 15 working days after receipt of the notice of dispute and notify the Member that if they are dissatisfied with the CEO's decision, the Member may submit a written notice to the CEO requesting that the matter be considered by the Cooperative's Board of Directors at its next regularly scheduled meeting.

C. Upon receipt of a notice requesting Board consideration, the CEO shall place the appeal on the agenda for the next regularly scheduled Board of Directors' meeting and present the matter to the Board of Directors for decision. The Member, at his or her choosing, may appear before the Board, consistent with Board Policy 1.4.3. The Board of Directors shall review the area supervisor/manager's investigation and the decision of the Cooperative's CEO and conduct any additional inquiry deemed necessary and render a final decision. The results of the final decision shall be provided in writing, if requested, to the Member no later than ten (10) working days after issuance of the final decision.

325.3 Privacy of Consumer Information:

Except as required by law, the Cooperative will not disclose information concerning a consumer’s consumption or credit information without prior authorization. Nothing in this provision, however, prohibits disclosure of information to:

1. an agent of the Cooperative engaged to collect an unpaid debt;
2. credit reporting agencies pursuant to state and federal law;
3. an energy assistance agency to allow a consumer to qualify for and obtain
financial assistance provided by the agency; and
4. local, state, and federal law enforcement agencies pursuant to lawful process.

325.4 Information in Spanish

Information regarding the Cooperative’s rates, key terms, and conditions of service, low income programs and deferred payment options is available in Spanish by contacting the Cooperative.

[326 through 339. Reserved for Expansion]
340. **Distributed Generation.**

340.1 **Availability.**
The Cooperative will interconnect distribution as provided in its Consumer Guidelines for Distributed Generation Installation and Interconnection, referred to and incorporated herein in full.

340.2 **Application.**
A member seeking interconnection of distributed generation with the Cooperative shall complete and submit the Application for Operation of Customer Owned Generation, which is incorporated herein.

340.3 **Contract.**
A member seeking interconnection of distributed generation with the Cooperative shall sign and deliver to the Cooperative the Agreement for Interconnection and Parallel Operation of Distributed Generation, which is incorporated herein.

340.4 **Terms and Conditions.**
The terms and conditions under which interconnection of distributed generation is to be provided are contained in the Consumer Guidelines for Distributed Generation Installation and Interconnection which is incorporated herein. The Consumer Guidelines for Distributed Generation Installation and Interconnection are subject to change from time to time as determined the Cooperative, and any such change shall be automatically applicable hereto based on the effective date of such change.

[341. through 349. Reserved for Expansion]
350. **Consumer Initiated Discontinuance of Service.**

350.1 **Consumer's Request.**
Any Consumer desiring to discontinue electric utility service from the Cooperative shall make a written request identifying the Consumer, the service location where discontinuance is desired, and the date service requesting to be discontinued. Such request shall be filed at any office of the Cooperative.

350.2 **Disconnection.**
Following receipt of Consumer's request for discontinuance of service, the Cooperative shall disconnect service. Subsequent to proper notice disconnection will be made within seven (7) working days.
351. **Cooperative Initiated Discontinuance.**

There are situations when the Cooperative may initiate the disconnection of Consumer service. Some of these disconnections require prior Consumer notice, but in some situations the Cooperative may disconnect Consumer service without prior notice. The procedures are discussed below.

351.1 **Disconnection Notice.**

When Consumer notice is required prior to disconnection, that notice shall consist of a separate mailing or hand delivery at least ten (10) days prior to the earliest date of disconnection with the words "termination notice" or similar language prominently displayed on the notice. The information included in the notice shall be provided in English and Spanish as necessary to adequately inform the Consumer. If mailed, the earliest date of disconnection may not fall on a holiday or weekend but shall fall on the next business day after the 10th day.

351.2 **Service Disconnection with Prior Notice.**

Utility service may be disconnected after proper notice for any of the following reasons described below. The Cooperative makes available adequate personnel on everyday of the year (including holidays and weekends) to service public collections and reconnection service.

   A. Failure to pay a delinquent account for utility and non-utility service or failure to comply with the terms of a deferred payment agreement.

   B. Use of service in a manner that interferes with the service of others or operating nonstandard equipment, provided the Consumer is allowed a reasonable opportunity to remedy the situation.

   C. Failure to comply with the deposit requirements.

351.3 **Service Disconnection Without Prior Notice.**

Consumer service may be disconnected without notice in any of the following situations:

   A. Where a known dangerous condition exists for as long as the
condition exists. Where reasonable, given the nature of the hazardous condition, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected, or

B. Where service is connected without authority by a person who has not made an application for service or who has reconnected service without authority following termination of service for nonpayment, or

D. In instances of tampering with the Cooperative's meter or equipment, bypassing the same, or other cases of diversion, or

E. If consumer has received a reminder notice or has been contacted by telephone regarding the delinquent status of their account.

351.4 Postponement of Disconnection - Medical.
The Cooperative will not discontinue service to a delinquent residential Consumer permanently residing in an individually metered dwelling unit when the Consumer establishes that discontinuance of service will result in some person residing at that residence becoming seriously ill or more seriously ill if service is discontinued. Any Consumer seeking to avoid termination of service under this Rule must have the attending physician (for purposes of this Rule, the term "physician" shall mean any public health official, including, but not limited to, medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, and any other similar public health official) call or contact the Cooperative within sixteen (16) days of issuance of the bill. A written statement must be received by the Cooperative from the physician or health care provider within twenty-six (26) days of the issuance of the Cooperative's bill. The prohibition against discontinuance of service provided by this Rule shall last sixty-three (63) days from the issuance of the Cooperative's bill or such lesser period as may be agreed upon by the Cooperative and the Consumer or the physician. The Consumer who makes such request shall enter into a deferred payment plan prior to the expiration of the 63-day period.
351.5 Effect of Discontinuance of Service.

A. **Consumer's Obligations.**
Discontinuance of service shall not relieve Consumer from any obligation to the Cooperative or lessen or change any obligation in any manner.

B. **Cooperative's Right.**
Discontinuance of service shall not reduce, diminish, or eliminate any legal right or remedy accruing to the Cooperative on or before the date of discontinuance, nor shall discontinuance operate as a waiver of any legal right or remedy.

Failure of the Cooperative to discontinue electric service at any time after default or breach of this Tariff or to resort to any legal remedy or its exercise of any one or more of such remedies does not affect the Cooperative's right to resort thereafter to any one or more of such remedies for the same or any default or breach by the Consumer.

351.6 Dismantling of Cooperative Facilities.
The Cooperative may, upon discontinuance of electric service to Consumer, dismantle and remove all lines, equipment, apparatus, or other facilities, which the Cooperative may have installed to provide electric service to Consumer. The Cooperative may, however, abandon in place in whole or in part its underground lines and equipment in lieu of removing such facilities.

351.7 Disconnection Prohibited.
Electric service may not be disconnected for any of the following reasons:

A. Delinquency in payment for electric service by a previous occupant of the premises;

B. Failure to pay charges arising from an under billing occurring due to any misapplication of rates more than six (6) months prior to the current billing;
351.8 **Refund of Membership Fee.**
Within a reasonable time after discontinuance of service the Cooperative shall make reasonable efforts to refund Consumer's membership fee if Consumer is no longer required to maintain a membership. See §301.2.

351.9 **Refund of Deposit.**
See §302.5.

[352. through 369. Reserved for Expansion]
370. Definitions.

370.1 Applicant.
A person requesting electric service from the Cooperative in the manner prescribed in the Cooperative's Service Rules and Regulations.

370.2 Consumer.
Any person, firm, partnership, corporation, organization, governmental agency, etc., provided electric service by the Cooperative.

370.3 Cooperative.
Rio Grande Electric Cooperative, Inc.

370.4 Deferred Payment Plan.
Any arrangement or agreement between the Cooperative and a Consumer in which an outstanding bill is paid in installments that extends beyond the due date of the next billing.

370.5 Distribution System.
The Cooperative's primary and secondary voltage conductors, transformers, switchgear, connection enclosures, pedestals, services, and other associated equipment used to provide electric service.

370.6 Electric Service.
Electric power and energy produced, or transmitted, or distributed, or provided, or made available by the Cooperative at the point of delivery together with all services and functions performed by the Cooperative.

370.7 Energy.
The capacity for doing work. The unit for measuring electrical energy is the watt-hour, or kilowatt hour which is 1,000 watt hours (kWh).

370.8 Facilities.
All equipment of the Cooperative including all tangible personal property without limitation, in any manner owned, operated, leased, licensed, used, controlled,
370.9 **Consumer's Installation.**
All conductors, equipment, buildings, structures, or apparatus of any kind on the Consumer's side of the point of delivery, excepting only the Cooperative's metering equipment.

370.10 **Line Extension.**
The segment of electrical distribution facilities, which is built to connect a meter to the Cooperative's existing electrical transmission or distribution facilities.

370.11 **Meter.**
A device, or devices, together with auxiliary equipment, for measuring electric energy usage and/or demand and/or other data.

370.12 **Mountain Top.**
A mountain that is 3,000 feet above sea level or more.

370.13 **Municipality.**
Any incorporated city, town, or village.

370.14 **Non-Permanent Installation.**
Any installation that is of a temporary nature and is not a permanent installation.

370.15 **Parties.**
The Cooperative and an Applicant, Consumer or Member.

370.16 **Payment Arrangement.**
Any arrangement or agreement between the Cooperative and a Consumer in which an outstanding bill is paid after its due date but before the due date of the next bill.

370.17 **Permanent Installation.**
Any installation that is constructed or placed on and permanently affixed to a
foundation, and which is or will be used or occupied on a permanent full-time basis, consuming not less than 700kWhs per month if installation is a residence and is connected to an approved on-site septic system and an external potable water supply furnished by a water utility or a privately owned water well. A Manufactured Home, as defined by the Texas Manufactured Housing Standards Act, shall qualify as a permanent installation only if it is installed in accordance with the provisions of the Act; is permanently anchored, has the wheels, axles, and towing device removed; and is connected to an approved on-site septic system and an external potable water supply furnished by a water utility or a privately owned water well. This definition applies, but is not limited to, residences, all types of seasonal energy consuming installations and all types of commercial energy consuming installations.

370.18 Person.
Any individual, partnership, association, joint venture, corporation, or governmental entity.

370.19 Point of Delivery.
The point where the Cooperative's conductors are connected to the Consumer's conductors.

370.20 Premises.
A tract of land or real estate including buildings or other appurtenances thereon.

370.21 Rate Schedules.
Any schedule of rates approved by the Board of Directors and contained in Section II of these Tariffs.

370.22 Rules; Service Rules; Service Rules and Regulations.
Any service rule or regulation of the Cooperative approved by the Board of Directors and contained in Section III of these Tariffs.

370.23 Service Area.
The area or territory in which the Cooperative provides electric utility service.
370.24 **Service Entrance Conductors.**
Conductors provided by the Consumer extending from the Consumer's electrical equipment to the point of delivery where connection is made to the Cooperative's conductors.

370.25 **Tariff(s).**
All provisions of this document including but not limited to provisions regarding (1) Utility Operations, (2) Rates and Charges, (3) Service Rules and Regulations, and (4) Forms.

370.26 **Subdivisions.**
A “recreational subdivision” shall be defined as a development area where use of all real property located within the development area is limited to recreational uses and activities including, but not limited to, hunting, fishing, swimming, boating, camping, picnicking, hiking, pleasure, driving, nature study, cave exploration, water sports, and other recreational activities.

“Commercial subdivision” means any platted territory where the frontage is improved with buildings in use for commercial purposes. Commercial purposes include, but are not limited to restaurants, convenience stores, radio towers, cathodic protection units, stock water wells, telephone equipment rooms, garages, shopping centers, and mining facilities.

“Residential subdivision” means any territory for which a plat is recorded in the county real property records and in which the majority of lots are subject to deed restrictions limiting the lots to residential use.

370.27 **Board of Directors.**
Those individuals elected from among the membership of the Cooperative in accordance with Rio Grande Electric Cooperative, Inc.’s Bylaws, as they may be amended from time to time.

370.28 **Qualifying Power Generating Installation, Generating Installation.**
Shall mean a small power production or cogeneration facility which is a "qualifying facility" under Subpart B of the Federal Energy Regulatory
Commission's Regulations under Section 31.002 of the Public Utility Regulatory Act of 1999 including any generator, and associated equipment, wiring, protective devices, or switches owned or operated by the Producer.

370.29 Producer. Means any person, firm, corporation, partnership, or other entity owning or operating a power generating installation.
371. **Rate Changes**

371.1 **Procedures for Rate Change.**

A. The Cooperative may change its rates by resolution of the Board of Directors approving the proposed change.

B. The Cooperative shall notify consumers affected by a change in rates by mailing notice of the proposed change to each affected consumer whose rate would be increased by the proposed change at least thirty days before implementation of the proposed change. This notice may be included in a monthly billing.

C. The Cooperative shall hold a meeting to discuss the proposed rate changes with affected consumers if any change is expected to increase total system annual revenues by more than $100,000 or one percent, whichever is greater.

D. Upon completion of Sections A through C above, the Cooperative may implement the proposed rates and those rates shall remain in effect until changed by the Cooperative as provided above, or for rates other than retail delivery rates, until the time, if any, that the Cooperative adopts customer choice.

E. The Cooperative may reconsider a rate change at any time and adjust the rate by board resolution without additional notice or meeting of the consumers if the rate as adjusted is not expected to increase the revenues from a consumer class. However, if notice is given to a consumer class that would receive an increase as a result of the adjustment, then the rates for the consumer class may be increased without an additional meeting of the consumer.

F. The rates charged by the Cooperative shall be just and reasonable and not unreasonably discriminatory. However, if the consumer agrees, the Cooperative may charge a market-based rate to
consumers who have energy supply options if rates are not increased for other consumers as a result.

371.2 Procedures for Appeal of Rate Change
A consumer who is adversely affected by the rate change may appeal the rate change by filing a petition in the district court of Travis County not later than the 90th day after the date of the resolution is implemented.

[372. through 399. Reserved for Expansion]
401. APPLICATION FOR MEMBERSHIP AND/OR ELECTRIC SERVICE AGREEMENT

Consumer Name and Mailing Address: ____________________________________________
( ) Individual
( ) Joint Application
______________________________________
( ) Corporation
( ) Partnership
______________________________________
( ) Other
Telephone #: __________________________ Social Security #: ______________________
Employer: ____________________________ Tax I.D. #: _______________________
Employer's Telephone #: ________________ Driver's License #: __________________
Account No.: __________________________
Spouse's Name (for Individual Applicants): _______________________________________

Type of Service: _______________________________________________________________
( ) Residential Service _________________________________________________________
( ) Recreational Service ________________________________________________________
( ) Temporary Service _________________________________________________________
( ) General Service ___________________________________________________________
( ) Oil Well Pumping ___________________________________________________________
( ) Irrigation ___ HP ___________________________________________________________
( ) Large Power up to ____ KVA ________________________________________________
( ) Lighting _________________________________________________________________
( ) Standby Service __________________________________________________________

Consumer Equipment: __________________________________________________________
Type of Service: _______________________________________________________________

Service Location/Point of Delivery: ______________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

Frequency: 60 Cycle/Sec  Delivery Voltage: _______
Phase: ( ) Single ( ) Primary ( ) 480 Volts
( ) Three ( ) 120/240 Volts ( ) Other (Specify): _______

Maximum Electrical Load________________________________________________________
The undersigned (hereinafter called the "Consumer") hereby applies for membership in, and agrees to purchase energy from RIO GRANDE ELECTRIC COOPERATIVE, INC., (hereinafter called "RGEC") upon the following terms and conditions:

1. SERVICE. RGEC agrees to provide electric service (including but not limited to the supply of electric power) to Consumer at the point of delivery above specified, being the point where the electric energy first leaves the line or equipment owned by RGEC and enters the line or equipment owned by Consumer. The point of delivery shall be the point at which RGEC's legal responsibility ends and the Consumer's legal responsibility commences. Consumer understands that the electric energy provided may have reasonable variation in frequency and voltage. Consumer agrees to take and use electric energy exclusively for the operations of Consumer's equipment as specified above; however, if no equipment is specified, then Consumer agrees to take and use electricity exclusively for the type of service indicated above. The Consumer will, when electric energy becomes available, purchase from RGEC all central station electric power and energy used on the premises described in this Agreement for so long as the premises are owned or directly occupied or used by Consumer. RGEC may limit the amount of electrical energy to be furnished for industrial uses.

2. PAYMENT. Consumer agrees to pay for electric service in accordance with RGEC's standard Tariff schedules in effect for like conditions of service to the class of service furnished hereunder and agrees to abide by the rate classifications or classes of service established from time to time under RGEC's Tariffs. If the class of service furnished under this Agreement is amended or revised by RGEC, or by order or consent of any relevant Regulatory Authority, such changed Tariff and/or redefined class of service shall be applicable to service and energy provided under this Agreement from and after the effective date of the change. Periodically, RGEC will render to Consumer a statement of services rendered. Consumer agrees to pay the total amount shown on the statement, including any applicable use, sales, or excise taxes on or before the due date set out on the statement. Payment shall be made to RGEC at any of its area offices, which are located in Brackettville, Marfa, Dell City, Carrizo Springs and Fort Stockton, Texas. When Consumer has more than one (1) service connection from RGEC, any payment by him for services from RGEC may be deemed to be allocated and credited on a pro rata basis to his outstanding account for all such service connections of the same class or included in the same bill, whether or not RGEC's actual accounting procedures reflect such allocations and prorations.

3. ADDITIONAL TERMS. The electrical service contracted for in this Agreement is to be provided and taken in accordance with the provisions of this Agreement for electric
service, all applicable laws and Regulations, the provisions of any supplemental Agreement for a particular class of service required by RGEC, and RGEC's service Regulations and Tariffs on file with the Power Cost Adjustment including any and all amendments that may be approved or ordered in the future by the relevant Regulatory Authority. THE SERVICE REGULATIONS AND TARIFFS ARE INCORPORATED BY REFERENCE IN AND ARE A PART OF THIS AGREEMENT TO THE SAME EXTENT AS IF SET OUT IN THIS AGREEMENT AND ARE ON FILE AND AVAILABLE AT RGEC'S AREA OFFICES.

4. RESALE. Consumer understands and agrees that the electric service provided under this Agreement is not to be resold, except with RGEC's written consent.

5. MEMBERSHIP. Consumer, upon receipt of electric service following execution of this Agreement and payment of the required membership fee, becomes a member of RGEC and he agrees to be bound by and to comply with the provisions and RGEC's Articles of Incorporation, and Bylaws, both as they now exist or may from time to time be adopted, repealed, amended or supplemented by RGEC. THE ARTICLES OF INCORPORATION AND BYLAWS ARE INCORPORATED BY REFERENCE IN AND ARE A PART OF THIS AGREEMENT TO THE SAME EXTENT AS IF SET OUT IN THIS AGREEMENT AND ARE ON FILE AND AVAILABLE AT RGEC'S AREA OFFICES.

6. EASEMENTS, RIGHTS OF ACCESS. Consumer shall, at Consumer's expense, upon being requested to do so by RGEC, execute and deliver to RGEC, in form and content acceptable to RGEC, one or more grants of easement or rights-of-way over, on and under such lands owned or leased to or by or mortgaged to or otherwise controlled by Consumer, and in accordance with such reasonable terms and conditions including as to the location of such easement, as are necessary for the furnishing of electric service to Consumer. Consumer agrees that RGEC's employees are hereby granted rights of ingress and egress to facilities providing service and otherwise in order to carry out the provisions of this Agreement. Consumer likewise agrees that non-employee representatives and assigns of RGEC are hereby granted such rights of ingress and egress, subject to the consent of Consumer, which consent shall not be unreasonably withheld.

7. CONTINUITY OF SERVICE. RGEC shall use reasonable diligence to provide constant and uninterrupted electric power; however, if electric power or service should fail or be interrupted, or become defective, or be reduced through act of God, governmental authority, action of the elements, public enemy, accident, strikes, labor trouble, maintenance,
repair or upgrading work, or any cause beyond the reasonable control of RGEC, RGEC shall not be liable under the provisions of this Agreement.

8. TERM. The acceptance of this instrument by RGEC shall constitute an Agreement between Consumer and RGEC. The contract for electric service shall continue in force (i) for 12 months from the date service is made available by RGEC to the Consumer, or (ii) in the event of a contract for temporary service, for a specified shorter period. After the initial 12 month period of a non-temporary contract this Agreement may be terminated by either party giving thirty days written notice, Consumer's termination being subject to Consumer's compliance with such uniform terms and conditions as RGEC's Board of Directors may prescribe.

The initial monthly billing period shall start when Consumer begins using electric power and energy, but shall not start later than 30 days after service described in this Agreement is made available to the Consumer.

9. BREACH/DISCONTINUANCE OF SERVICE. Notwithstanding any other provisions of this Agreement, RGEC may discontinue service if Consumer has breached any portion of this Agreement by failure to make timely payment or otherwise, provided RGEC has given Consumer notice in accordance with the applicable Rules of the Regulatory Authority regarding discontinuance of service.

10. NOTICE. All notice required to be given under the terms and provisions of the Agreement may be given by mailing the notice to the other party by United States mail addressed to: (i) the mailing address indicated above, as such address may be changed from time to time by either party by means of written notice given to the other party or (ii) by notice given by RGEC to Consumer at the mailing address given to RGEC through U.S. Postal Service in the event notice to a Consumer's mailing address provided for pursuant to this Application is not deliverable. The notice shall bear the date of its mailing, and shall be effective on and after that date or such other date as is specified in the notice.
11. **EFFECTIVE DATE/NOTIFICATION.** Notwithstanding anything contained in this Agreement, this Agreement shall not become effective and is not binding until executed by RGEC and Consumer. No modification or alteration of this Agreement, except as specifically provided for in this Agreement shall be binding on either party unless reduced to writing and signed by the parties.

12. **WAIVER.** No waiver, expressed or implied, of any breach of any one or more of the covenants or Agreements set out in this Agreement shall be deemed to be a waiver of any subsequent breach.

13. **CONSUMER'S EQUIPMENT.** The Consumer shall have the status of bailee of RGEC's equipment and facilities located on Consumer's premises. Commencing with equipment at the uppermost portion of the meter pole, Consumer will be responsible for obtaining, installing and maintaining in good condition all switches, protective equipment adequate to protect operations and facilities of RGEC and of Consumer from adverse physical effects of power furnished to Consumer, and wiring, including three-phase protective equipment. Such equipment must meet standards equal to or higher than those of the National Electric Safety Code or American National Standards Institute. Consumer agrees to indemnify and hold harmless RGEC from and against any and all costs, claims, death or injury to any person, injury or destruction to any property or damages of any kind arising in whole or in part from Consumer's facilities, switches, protective equipment or wiring.

14. **ENTIRE AGREEMENT/LAW GOVERNING.** Except to the extent of any supplemental Agreement duly executed between Consumer and RGEC for the described service. RGEC, its agents and employees have made no representations, promises, nor made any inducements, written or verbal, which are not contained in this Agreement. Consumer agrees that it is not relying on any statements not contained in this Agreement. This Agreement shall be construed and governed in accordance with the laws of the State of Texas.

15. **ASSIGNMENT.** This Agreement shall not be assigned by Consumer except in accordance with the Articles of Incorporation, Bylaws, and Rules and Regulations of RGEC. This Agreement shall inure to the benefit of RGEC's assigns.
16. LIMITATIONS OF LIABILITY AND INDEMNITY OF RGEC FOR INJURIES AND DAMAGE. RGEC shall not be liable for injuries and/or damage caused by or resulting from failure to furnish electric energy and services of any kind and amount contracted for, to the extent such liability is limited by the provisions of RGEC's Service Regulations contained in its Tariff. Member agrees to indemnify RGEC from and against claims arising from RGEC's furnishing of electric energy to Member to the extent provided for by the provisions of RGEC's Service Regulations contained in its Tariff. Under no circumstances will RGEC be liable for consequential damages.

17. METER TAMPERING. In the event RGEC reasonably determines that its meters or equipment have been tampered with or bypassed, Consumer agrees to pay RGEC's statement or statements reflecting the highest estimated usage of electricity by Consumer for the longest period of time such tampering or bypassing may have continued consistent with relevant Rules of the Regulatory Authority. RGEC's statement or statements estimating usage of electricity shall be presumed accurate.

18. MINIMUM. Notwithstanding any other provision of any applicable rate schedule and irrespective of Consumer's requirements, Consumer shall pay a minimum Availability charge pursuant to Consumer's applicable classification under RGEC's rate Tariffs, but not less than the minimum specified below for service or for having service available under this Agreement during its term:

An Availability charge as contained in the applicable rate schedule per month per meter plus energy costs for a minimum period of 12 (twelve) consecutive months will be applicable. If Consumer's service is disconnected prior to the end of the 12 (twelve) month period, Consumer shall be liable for the amount of the Availability charge for the remainder of the 12(twelve) month period. If construction is required to serve Consumer, the 12 (twelve) month contract is mandatory and Consumer's billing will commence 30 (thirty) days following completion of RGEC's construction, whether or not Consumer's meter loop has been installed. If construction is not required and Consumer requests a shorter contract of service (Temporary Service), the Availability charge as contained in the applicable rate schedule per month per meter plus energy costs for the number of months service is taken will be applicable.

The foregoing Availability charges are subject to change pursuant to amendment of applicable Rate Schedules by the relevant Regulatory Authorities.
MINIMUM: As prescribed in applicable Rate Schedule.

______________________________  
(Printed Name of Applicant[s])

Availability charge ______________________

_____________________________
(P. O. Box or Street)

Ethnic Group____________________________

_____________________________
(Town and State)

_____________________________
Signature of Applicant or of Joint Applicants (Husband & Wife)

LAND DESCRIPTION AND METER LOCATION:

_____________ acres located in _____________

County, Section _____________ Block _____

Witness_______________________

Date__________________________

Survey__________________________________

Membership Fee received by:
Cash _______  Check _____

Approximately ___________ Miles N - E - S - W

Date ______ Field _____ Office __

From Town of ___________________________

The above application for Membership accepted this _____ day
of __________, 20 _______

Map Number ____________________________

By___________________________________

Title______________________________
402. EASEMENT AND RIGHT-OF-WAY

KNOW ALL MEN BY THESE PRESENTS:

That ________________ (“Grantor,” whether one or more) for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto Rio Grande Electric Cooperative, Inc., a Texas corporation whose post office address is P.O. Box 1509, Brackettville, Texas 78832 (“Grantee”), an easement and right-of-way thirty (30) feet in width for overhead and underground electric distribution lines, each line to consist of a variable number of wires and cables, and each such line with all necessary or desirable appurtenances at or near the location, and along the general course now staked out by Grantee, over, across, and upon the following described lands located in _________________ County, to wit:

[INSERT SPECIFIC DESCRIPTION OF EASEMENT, USING GPS COORDINATES]

Together with the right of ingress and egress over Grantor’s existing roads or trails, to or from said right-of-way, for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining, replacing, and removing said lines and appurtenances; where roads or trails do not exist, but access is necessary, Grantee shall seek permission from Grantor for access, such permission shall not be unreasonably withheld; the right to relocate and replace said lines within said right-of-way; the right to cut, trim or remove any trees and parts thereof, or other obstructions, which endanger or may interfere with the efficiency of said lines or their appurtenances; and the right of exercising all other rights hereby granted, and Grantor expressly covenants and agrees for Grantor and Grantors’ heirs, successors, and assigns, that no building or other obstruction of any kind will be placed on said easement and right-of-way herein granted so long as this easement remains in effect.

(INsert Grantor Name) (insert work order number)
This Easement shall run with the land and shall bind the parties, their successors and assigns, or successors in interest, until the use of said easement and right-of-way shall be abandoned.

Executed this _____ day of _____________________, 20____.

_________________________  ____________________________
Signature                      Signature

STATE OF TEXAS  §

COUNTY OF _________  §

This instrument was acknowledged before me on ________ _____, 20____, by

______________________________________

Work Order No. __________  Notary Public, State of Texas

My Commission Expires:__________________

(INSERT GRANTOR NAME)      (INSERT WORK ORDER NUMBER)
403. DEFERRED PAYMENT AGREEMENT

I, the undersigned, promise to pay to the order of RIO GRANDE ELECTRIC COOPERATIVE, INC., Bracketville, Texas, $_______dollars monthly on my outstanding bill of $_______ dollars. Each installment shall be paid on or before the ____ day of each month with the first installment of $_______ dollars due on __________, and the final installment of $_______ dollars due on ______________.

Service will not be discontinued for non-payment of previous billing if Member pays current bills in addition to the foregoing sums. Failure to make payments as stipulated above, or failure to pay in full all current and future electric bills shall constitute grounds for disconnection of electric service without further negotiation.

IF YOU ARE NOT SATISFIED WITH THIS CONTRACT, OR IF AGREEMENT WAS MADE BY TELEPHONE AND YOU FEEL THIS CONTRACT DOES NOT REFLECT YOUR UNDERSTANDING OF THAT AGREEMENT, CONTACT THE UTILITY IMMEDIATELY AND DO NOT SIGN THIS CONTRACT.

IF YOU DO NOT CONTACT THE UTILITY, OR IF YOU SIGN THIS AGREEMENT, YOU GIVE UP YOUR RIGHT TO DISPUTE THE AMOUNT DUE UNDER THE AGREEMENT, EXCEPT FOR THE UTILITY'S FAILURE OR REFUSAL TO COMPLY WITH THE TERMS OF THIS AGREEMENT.

Signed:_________________________________________

By:_____________________________________________

Date:___________________________________________
404. CLAIMS INVESTIGATION FORM

In order for the Cooperative’s insurance company to make a determination of claims submitted by our consumers, an investigation must be completed. Listed below is pertinent information that must be provided in order to complete the investigation. The investigation is intended to secure the facts of the claims only. The decision to award or to deny the claim, will be made by management and the insurance company.

<table>
<thead>
<tr>
<th>Consumer Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>Address</td>
</tr>
<tr>
<td>City, State and Zip</td>
</tr>
<tr>
<td>Telephone Number</td>
</tr>
<tr>
<td>Meter Location and Number</td>
</tr>
<tr>
<td>Account Number</td>
</tr>
<tr>
<td>Date the Claim Occurred</td>
</tr>
<tr>
<td>Date the Claim was submitted to the Cooperative</td>
</tr>
<tr>
<td>Estimated Cost of the Loss or Damage to Property</td>
</tr>
<tr>
<td>Description of the Loss or Damage to Property</td>
</tr>
</tbody>
</table>

Please give a written statement of the circumstances surrounding the claim. Also, attach an itemized invoice of the cost of the claim and any other documentation pertaining to the claim.

I understand that this claim form is for informational purposes only. This claim form, along with a written investigation by the Cooperative, will be submitted to the Cooperative’s insurance company for investigation and review.

Consumer’s Signature       Date
Area Operations Managers/Supervisors:
Please use the back side of this form for Area Office Information.

CLAIMS INVESTIGATION FORM
Continued

Please provide a statement of the circumstances surrounding the claim. Also, attach any documentation (i.e. outage reports, time sheets) that may be pertinent to this claim.

Signature:

__________________________________________ ______________________________
Area Operations Manager/Supervisor       Date
THIS AGREEMENT made this ___ day of ____________, 20___, by and between ____________________________, hereinafter referred to as the "Producer," and Rio Grande Electric Cooperative, Inc., hereinafter referred to as the "Cooperative" is as follows:

1. **Purpose.** Producer owns or intends to own and/or operate a qualifying electric power generating installation and desires to interconnect and operate such installation in parallel with Cooperative's electric distribution system. This Agreement defines the relationship between the Cooperative and Producer including terms affecting purchase and sale of electricity as well as reasonable conditions for interconnections and parallel operation.

2. **Producer's Generating Installations.** The generating installation to which this Agreement applies is described as:

   Make
   Model
   Serial #
   Fuel or Energy Source
   Nameplate Output Rating__________ kW
   Operating Voltage__________ volts
   Connection__________________ phase
   Located at

   Emergency Contract:
   Name__________________________
   Address________________________
   Phone__________________________
3. **Terms.** The Cooperative agrees to use reasonable diligence to provide simultaneous electric service. Interconnection, parallel operation, sales and purchases of electricity will be governed by the Cooperative's Tariff including any and all amendments that may hereafter be approved or ordered by any Regulatory Authority having jurisdiction, SAID Tariff including all service Rules, Regulations, and rates IS A PART OF THIS AGREEMENT TO THE SAME EXTENT AS IF FULLY SET OUT HEREIN AND IS ON FILE AND AVAILABLE AT THE COOPERATIVE'S OFFICE IN BRACKETTVILLE, TEXAS.

4. **Interconnection.** Prior to interconnection Producer shall have (1) fulfilled all requisites for the provision of electric utility service contained in the Tariff; (2) provide an interconnection plan and other information; (3) comply with conditions for line extension; (4) provide satisfactory liability insurance; (5) sign and deliver this AGREEMENT; (6) complete construction; (7) comply with laws; (8) give notice of intent to energize; and (9) element any conditions preventing interconnection. Producer warrants to Cooperative that Producer's power generating installation is constructed and will be maintained in a safe and reliable condition and will comply with the latest applicable codes.

5. **Parallel Operation.** Producer is responsible for installation, safe operation, protection, and maintenance of all equipment and wiring at and beyond the point where Producer's conductors contact the Cooperative's conductors. The electrical power generated shall be compatible with Cooperative's standard distribution system at the point of delivery and of such quality that Cooperative's System is not adversely affected. Producer shall install and/or pay for a visible break disconnect switch. The Cooperative shall have access to the disconnect switch and meter(s) at all times.

The Cooperative's LIABILITY IS LIMITED in accordance with its Tariff and Producer agrees to indemnify and hold the Cooperative harmless from all claims except as specified in the Tariff.
6. **Purchases of Electricity from Producer.** At the option of the Producer, the Cooperative will purchase:

- No output from the generating installation while allowing the Producer to use the output to offset the Producer's total consumption, with the Producer's meter(s) modified to prevent reverse metering; or

- The net surplus output from the generating installation as measured by a second service meter which records the net surplus output of Producer into the Cooperative's system; where the net surplus is defined to be the accumulated instantaneous output of the Producer in excess of Producer's simultaneous instantaneous load; or

- The output of Producer's generating installation as measured by a second meter which records the output while charging the Producer for the Producer's consumption.

The Cooperative will pay for electricity purchased from Producer at the applicable Tariff rate for qualifying power generation installations.

At the option of the Producer, the Cooperative will:

- Credit the value of all output purchased from the Producer's generating installation against the monthly bill for service for the month following receipt of the Producer's meter reading(s) for the monthly billing cycle; or

- Pay Producer by check for all output purchased from Producer's generating installation within ______ days from receipt of the Consumer's meter reading(s) for the monthly billing period.

7. **Sales of Electric Service to Producer.** Producer agrees to pay for electric service in accordance with the rate schedule applicable to ____________ class. If any Tariff or rate is changed by the Cooperative, or by order or consent of any Regulatory
Authority having a jurisdiction thereof whether or not at the request of the Cooperative, such changed Tariff, rate, or redefined class of service shall be applicable to service provided hereunder from and after the effective date of such change. Periodically, Cooperative will render to Producer a statement of services rendered. Producer agrees to pay the total amount shown on such statement within fifteen (15) days from its date. Payment shall be made to Cooperative at its office in Brackettville, __________ County, Texas.

8. **Term.** The acceptance of this instrument by the Cooperative shall constitute an Agreement between the Producer and the Cooperative which shall continue in force for a ________ term of ____ years (not to exceed 5 years) from the date service is made available by the Cooperative to the Producer. After the initial term, this Agreement may be terminated by either party giving at least thirty (30) days written notice to the other.

9. **Breach.** The failure or refusal to perform any obligation contained in this Agreement shall constitute a breach of this Agreement. The parties shall have such remedies for breach as may be provided for at law or in equity. Notwithstanding any other provision of this Agreement, Cooperative may discontinue service if Producer has breached any portion of this Agreement by failure to make timely payment or otherwise.

10. **Entire Agreement.** This Agreement constitutes the entire Agreement between the parties and supersedes all prior Agreements between Producer and Cooperative for the service herein described, and the Cooperative, its agents and employees have made no representations, promises, or made any inducements, written or verbal, which are not contained herein. Producer agrees that it is not relying on any statements not herein contained.

11. **Assignment.** This Agreement shall not be assigned by Producer except in accordance with the Articles, By-laws, and Rules and Regulations of Cooperative. This Agreement shall inure to the benefit of Cooperative's assigns.

12. **Interconnection Cost.** Producer agrees to pay for extension of Cooperative's facilities and other interconnection costs as follows:

$_________ in advance of any work by the Cooperative; or
$___________ per month as an increased monthly minimum over and above the applicable minimum stated in the Cooperative's Tariff.


**RIO GRANDE ELECTRIC COOPERATIVE, INC.:**

By: ______________________________

PRODUCER: ______________________________

BY: ______________________________
406. ADDENDUM TO AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF COGENERATION OR SMALL POWER PRODUCTION INSTALLATION; 100 kW OR LESS

This Addendum made the ___ day of _________________, 19___ by and between _______ Electric Cooperative, Inc., hereinafter referred to as the "Cooperative" and _______ hereinafter referred to as "Producer" modifies the first paragraph of Section 6 of the Agreement for Interconnection and Parallel Operation of Cogeneration or Small Power Production Installation; 100 kW or less between parties dated _________________, 19___ as follows:

Producer certifies that he/she is using renewable resources in a generating installation (qualifying facility under FERC Rules) with an aggregate design capacity of 50 kilowatts or less and hereby elects to interconnect through a single meter that runs forward and backward.

Witness our hands:

RIO GRANDE ELECTRIC COOPERATIVE, INC. PRODUCER:

By: ___________________________ By: ___________________________

Title: ___________________________ Title: ___________________________
407. RIO GRANDE ELECTRIC COOPERATIVE, INC.
CONTRACT FOR STANDBY SERVICE

Contract made as of _____ day of ____________________ between the Rio Grande Electric Cooperative, Inc. (“the Cooperative”) and ____________________ (“Consumer”).

WHEREAS, the Consumer is eligible for and desires to receive standby service under the Cooperative’s Standby Service, rate schedule (§202.10).

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, the parties hereby agree and covenant as follows:

1. Electric service under this contract shall be supplied by the Cooperative to Consumer under the terms of the Cooperative’s Standby Service rate schedule as may be amended from time to time upon approval of the Texas Public Utility Commission, and shall commence on the above stated contract date.

2. The specified amount of monthly Standby Service Demand reserved for the Consumer shall be __________ kW.

3. The specified Minimum Monthly Charge shall be __________ per month.

4. The Consumer shall be responsible for providing suitable control and protective devices on his equipment to assure no disturbance to other Consumers of the Cooperative and to protect the Consumer’s facilities from all loss or damage which could result from receiving service hereunder from the Cooperative.

5. The Cooperative will furnish, install, own and maintain interconnection facilities necessary for service hereunder including suitable control and protective devices installed on the Cooperative’s equipment to allow operation of the Consumer’s generating facilities; metering facilities equipped to prevent reverse registration for the measurement of service hereunder; and any other modifications to its system required to serve the Consumer hereunder as determined by the Cooperative.

Within thirty (30) days after service is first furnished hereunder, the Consumer will reimburse the Cooperative in full for the cost of such interconnection facilities which is in
excess of the cost of facilities which normally would have been provided by the Cooperative to serve the Consumer’s Standby Service Demand capacity requirements in the absence of the Consumer’s generating facilities.

6. This contract, including the terms of the Standby Service rate schedule, constitutes the entire agreement of the parties and supersedes all prior contracts or agreements on the subject, whether written or oral. This contract shall be amended only by a written document executed by both parties.

7. The contract shall be binding upon and inure to the benefit of the original parties hereto, their successors and assigns.

8. This contract shall become effective on the above stated contract date, and shall remain in effect for a period of two years and thereafter until terminated upon either party giving the other party sixty (60) days written notice, except as to obligations existing upon termination.

IN WITNESS WHEREOF, the Parties have caused this contract to be executed.

CONSUMER

By: ______________________________
Title: ____________________________
Date: ____________________________
Account Number: ________________

RIO GRAND ELECTRIC COOPERATIVE, INC.

By: ______________________________
Title: ____________________________
Date: ____________________________
408. LEVEL PAYMENT PLAN AGREEMENT

Date of Agreement __________________ Account No.____________________
Consumer Name______________________________________________________
Level Payment Amount _____________________ Beginning__________________

This Level Payment Plan provides a fixed monthly payment for electric service based on an estimated or historical kilowatt-hour usage. You (the “Consumer”) will receive a bill each month showing the actual current monthly bill, the total balance on your account and the monthly-levelized payment amount. By signing this agreement you are entering into a contractual agreement with Rio Grande Electric Cooperative, Inc. (the “Cooperative”) based on the conditions set forth in this document. Please read them carefully.

Calculation of Monthly Bill:

1. Monthly payments are based on one-twelfth (1/12) of the annual estimated kilowatt-hour usage. The kilowatt-hour estimate will be based upon the type of service, type of appliance loads inside the home and on any historical usage that is available for the Consumer. The levelized period is the twelve-(12) month period beginning with the first billing the Level Payment Plan is in effect. The Cooperative will review each levelized account periodically and may make adjustments to the monthly levelized payment amount if the actual monthly payments exceed the levelized payments by 100%, or more.

2. At the end of each twelve- (12) month period, the difference between the actual and levelized monthly payments will be determined and such difference shall be incorporated in the calculation for the levelized monthly payment for the following twelve- (12) month period.

Conditions for Termination:

1. The levelized payment is due upon issuance of each month’s bill and is to be paid no later than sixteen (16) days after issuance. If the sixteenth (16th) day falls on a holiday or weekend, the due date will be the next workday. If the levelized payment is not made each month when due, the Cooperative
reserves the right to declare the unpaid balance immediately due and payable.

2. If you, the undersigned, do not fulfill the terms and obligations of the Level Payment Plan Agreement, the Cooperative may disconnect service to you pursuant to the disconnection rules provided in §351 of its Service Rules and Regulations.

3. The Cooperative may collect a deposit not to exceed an amount equivalent to one-sixth (1/6) of the estimated annual billing. See §302.1 for information regarding establishment of credit in lieu of security deposits. The Cooperative may retain said deposit for the duration of this Level Payment Plan Agreement; however, interest will be paid on the deposit as provided in §302.5 of the Cooperative’s Service Rules and Regulations.

4. If you move, or for any other reason discontinue electric service, the difference between the actual and levelized monthly payments will be determined and, if such difference reflects an amount owed to the Cooperative, that amount shall become due and payable immediately. If such difference reflects an amount owed to you, that amount shall be refunded to you, net of any amounts required to satisfy any financial obligations owed to the Cooperative by you.

5. This Level Payment Plan Agreement may be canceled by either the Consumer or the Cooperative upon ten (10) days written notice, and the Cooperative’s normal billing and payment procedures will then apply.
## MEMBER COMPLAINT FORM

<table>
<thead>
<tr>
<th>For Office Use Only</th>
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<tbody>
<tr>
<td>Date Received:</td>
</tr>
<tr>
<td>By:</td>
</tr>
<tr>
<td>Area</td>
</tr>
<tr>
<td>Date Resolved:</td>
</tr>
</tbody>
</table>

### I. MEMBER INFORMATION

Member Name ___________________________ Date: ____________
(name as it appears on billing statement)

Member Account Number __________________ Telephone Number ________________

Mailing Address ____________________________________________________________

City/Town ___________________________ State ___________ Zip __________

### II. TYPE OF CONCERN

- [ ] Employee
- [ ] Equipment
- [ ] Policy
- [ ] Other (Please specify) __________________________

Please describe the complaint you have involving Rio Grande Electric Cooperative, Inc.

_________________________________________________________________________

_________________________________________________________________________

_________________________________________________________________________

_________________________________________________________________________

_________________________________________________________________________

_________________________________________________________________________
III. WHAT ACTION DO YOU BELIEVE RIO GRANDE ECI SHOULD TAKE?

We will make every effort to resolve your complaint at the Area Office level. Upon receipt of a completed member complaint form from a Member, the area supervisor/manager shall promptly make a suitable investigation and advise the Member of the results thereof within 15 working days and the Member's right to seek dispute resolution before the Cooperative's CEO.

In the event the Member is dissatisfied with the area supervisor/manager's report, the Member may file a written notice of dispute with the Cooperative's CEO at the Cooperative's corporate office at P.O. Box 1509, Brackettville, Texas 78832. Upon receipt of the notice of dispute, the Cooperative's CEO shall review the investigation conducted by the area supervisor/manager and conduct any additional inquiry deemed necessary and issue a decision no later than 15 working days after receipt of the notice of dispute and notify the Member that if they are dissatisfied with the CEO's decision, the Member may submit a written notice to the CEO requesting that the matter be considered by the Cooperative's Board of Directors at its next regularly scheduled meeting.
Upon receipt of a notice requesting Board consideration, the CEO shall place the appeal on the agenda for the next regularly scheduled Board of Directors' meeting and present the matter to the Board of Directors for decision. The Member, at his or her choosing, may appear before the Board, consistent with Board policy 111, The Board of Directors shall review the area supervisor/manager's investigation and the decision of the Cooperative's CEO and conduct any additional inquiry deemed necessary and render a final decision. The results of the final decision shall be provided in writing, if requested, to the Member no later than ten (10) working days after issuance of the final decision.

I understand the Member Complaint Procedures and agree to abide by the decision rendered with regard to the complaint I have hereby expressed.

___________________________________   __________________________
Rio Grande ECI Member      Date

IV. AREA SUPERVISOR/MANAGER’S REVIEW

______________________________________________________________________________
Supervisor: In your opinion, does the member have a valid complaint? ☐ Yes ☐ No

List the names of all individuals interviewed in reference to this member complaint.

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

V. SUPERVISOR/MANAGER’S RECOMMENDATION:

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

VI. SUPERVISOR/MANAGER’S CONSULTATION WITH MEMBER

Does the member believe that the problem has been resolved in a satisfactory manner?

☐ Yes ☐ No

If not, does he/she wish to pursue this complaint to the next level in the Complaint and Grievance Process? ☐ Yes ☐ No

Statements made by the member, which the Supervisor/Manger determines have a bearing on the member’s complaint:

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
VII. CEO REVIEW

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

VIII. CEO’S RECOMMENDATION:

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

Does the member believe that the problem has been resolved in a satisfactory manner?

☐ Yes  ☐ No

If not, does he/she wish to pursue this complaint to the next level in the Complaint and Grievance Process?

☐ Yes  ☐ No
IX. BOARD OF DIRECTORS – FINAL DECISION

After reviewing the Member Complaint Form and supporting documentation and/or testimony, it is the majority decision of the Board of Directors that:

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

______________________________
RGEC Board President
410. AGREEMENT FOR LARGE POWER ELECTRIC SERVICE

This AGREEMENT is dated as of ______________ (“Effective Date”) and is by and between Rio Grande Electric Cooperative, Inc. (“Seller”), and ________ (“Consumer”).

RECITALS

WHEREAS, Seller is a corporation organized and existing under the laws of the State of Texas, with a principal place of business at HWY 90 and SH 131, Brackettville, TX 78832; and

WHEREAS, Consumer is _________ chartered and existing under virtue of the laws of the State of ____, with a principal place of business at _________; and

WHEREAS, Consumer operates natural gas compression stations at ____________, Texas; and

WHEREAS, Consumer desires to purchase power and energy to meet the requirements of Consumer’s Facilities; and

WHEREAS, Seller has proposed to supply, subject to the terms and conditions set forth herein, Electric Service to Consumer’s Facilities at the Consumer’s Delivery Point, as more specifically specified in this Agreement; and

WHEREAS, Seller has proposed to provide for, subject to the terms and conditions of the Construction Agreement, construction of certain facilities necessary to provide Electric Service to Consumer’s Facilities;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties hereby agree that this Agreement, together with the Appendices attached hereto, sets forth the terms under which Seller will supply Electric Service to Consumer, during the Delivery Period and constitutes the entire agreement among the Parties relating to the subject matter hereof and supersedes any other agreements, written or oral (including without limitation any preliminary term sheet), among the Parties concerning this Agreement.
ARTICLE I-- DEFINITIONS

The following words and terms shall be understood to have the following meanings when used in this Agreement or in any associated documents entered into in conjunction with this Agreement.

1.1 **Affiliate** means, with respect to any person, any other person (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such person. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

1.2 **Agreement** means this Agreement for Electric Service, including the Appendices.

1.3 **Business Day** means a day ending at 5:00 p.m. Central Prevailing Time, other than Saturday, Sunday and any day which is a legal holiday or a day designated as a holiday by ERCOT or the NERC.

1.4 **Claims** means all third party claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of this Agreement, and the resulting losses, damages, expenses, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement.

1.5 **Contract Rate** means the amounts set forth in Article 4 to be paid by Consumer to Seller during each Billing Period for the Electric Service.

1.6 **Consumer Delivery Point(s)** means the point or points designated on Appendix A at which Seller will deliver and Consumer will accept Energy.

1.7 **Consumer’s Facilities** means the natural gas compression stations located in or about ____________, Texas.

1.8 **Central Prevailing Time or “EPT”** means the prevailing time in Brackettville, Texas.
1.9 **Construction Agreement** means the Agreement for Construction of Facilities dated _______ by and between Seller and Consumer attached hereto as Appendix B.

1.10 **Delivery Period** means the period as defined in Section 2.2.

1.11 **Electric Service** means electric power and energy up to 20 MVA at nominal 4160 volts and 60 cycles per second.

1.12 **Force Majeure** means an event or circumstance which prevents one Party from performing its obligations under this Agreement, which event or circumstance was not anticipated as of the date the Agreement was agreed to, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid or cause to be avoided.

1.13 **Load** means Electric Service to serve Customer’s Facilities.

1.14 **MW** means Megawatt.

1.15 **MWh** means Megawatt-hour.

1.16 **NERC** means the North American Electric Reliability Council.

1.17 **Party(ies)** means Consumer or Seller or any or both of them, as the context requires.

1.18 **Prime Rate** means the lesser of (i) the rate published from time to time in The Wall Street Journal, as the prime lending rate, and (ii) the maximum rate permitted by applicable law.

1.19 **Service Regulations** means Rio Grande Electric Cooperative, Inc.’s Tariff as the same may be amended from time to time in accordance with the provisions therein.

1.20 **Term** is defined in Section 2.1.

**Other Definitions.** Certain other definitions as required appear in subsequent parts of this Agreement.
ARTICLE 2 – TERM, SERVICE AND DELIVERY PROVISIONS

2.1 Term

The Term of this Agreement shall begin as of the Effective Date and extend through and include the end of the Delivery Period. The applicable provisions of this Agreement shall continue in effect in accordance with Article 12.9, Survival, and to the extent necessary to provide for final accounting, billing, billing adjustments, resolution of any billing disputes, realization of any collateral or other security, set-off, final payments, payments pertaining to liability and indemnification obligations arising from acts or events that occurred during the Delivery Period, or other such provisions that by their terms or operation, survive the termination of this Agreement.

2.2 Delivery Period

The Delivery Period shall commence on _________ through __________ from hours ending 0100 through 2400 Central Prevailing Time.

2.3 Consumer Delivery Point(s)

The Consumer Delivery Points for the Electric Service are set forth on Appendix A.

2.4 Continuation Beyond Term

Consumer, at its option, may continue to receive the Electric Service described herein following expiration of the Term and shall pay the rate approved by the Rio Grande Electric Cooperative, Inc. Board of Directors.

ARTICLE 3 – SALE AND PURCHASE

3.1 Service.

During the Delivery Period, Seller agrees to sell and deliver to Consumer all of the power and energy which consumer may need up to 20 MVA for its Load at the Consumer Delivery Point.

Consumer understands that electrical energy provided may have reasonable variations in frequency and voltage. Consumer agrees to limit motor-starting load to 300 percent through use
of reduced voltage motor-starting and additional capacitor reactive support as required. Consumer and Seller shall mutually agree upon exact method of limiting motor-starting kVA. Consumer assumes responsibility for the _____ horsepower motor’s functioning properly during the motor-starting conditions based upon system parameters provided to Consumer by Seller. (Reference Seller’s consulting engineer’s letter dated __________, __________, to Consumer.)

Consumer agrees to take and use electricity exclusively in the operation of the above-described plant. Consumer will purchase from Seller all power and energy for its Load at the Consumer Delivery Point.

3.2 Load Forecast.

Consumer shall advise the Seller as to estimated annual capacity and energy requirements on or before January 1st of each year reflecting forecasting requirements for the remaining term of the Agreement. Consumer shall also notify the Seller whenever a major change in load forecast occurs.

ARTICLE 4 – BILLING AND PAYMENT

4.1 Payment.

(a) Contract Rate

The Consumer shall pay to the Seller for the electric service provided hereunder a rate consisting of a facilities charge and a power cost charge as set forth below.

(1) Facilities Charge-Consumer shall pay the Seller ______ per month commencing ______, __________, being the date which Seller notifies Consumer that service is available.

(2) Power Cost Charge-Consumer agrees to pay the cost incurred by the Seller in purchasing power and energy at wholesale for delivery to the Consumer, such rates defined by Rio Grande Electric Cooperative, Inc.’s. wholesale rate for demand and energy applicable to wholesale deliveries taking into account any surcharges or discounts to each of such rates to the
extent and at the rate that such amounts are actually charged or credited to each of such rates paid by Seller. The power cost will be computed as follows:

**Demand Charge**

\[
\text{Demand Charge} = (\text{Demand charge}) \times (\text{Consumer Billing Demand}) \times (AF)
\]

Where:
- **Demand Charge** - The demand charge in $/kW in the wholesale rate applicable during the period being billed.
- **Consumer Billing Demand** - The billing demand in kW defined in the same manner in which billing demand is defined in the applicable wholesale rate including all adjustments specified in the applicable rates and subject to the same power factor correction and ratchet provisions.
- **AF** - ______

**Energy Charge**

\[
\text{Energy Charge} = (\text{Energy Charge}) \times (\text{Consumer Energy Consumption}) \times (AF)
\]

Where:
- **Energy Charge** - The energy charge in $/kWh in the wholesale rate applicable during the period being billed.
- **Consumer Energy Consumption** - The monthly energy usage in kWh defined in the same manner in which energy consumption is defined in the applicable wholesale rate.
- **AF** - ______

(c) Adjustments to Monthly Payment

1. The development of the monthly payment is intended to reflect the financial ratios and financial criteria as approved by the Texas Public Utility Commission. Any authorized change in a financial ratio will be reflected in a change in the monthly payment.
2. The monthly payment includes provisions for the recovery of revenue-related taxes, if any. The revenue-related taxes will be reflected in the individual components of the monthly charge.
**Minimum Bill.** Regardless of whether any power or energy is required by Consumer, the monthly minimum bill will be equal to the Facilities Charge plus any minimum, facilities, ratchet, or other like charges incurred by the Seller or other charges levied by its wholesale supplier.
4.2 Metering.

Service will be metered on the 4160 volt side of the transformer by means of a meter furnished and installed by Seller. The readings of Seller’s meter shall be conclusive as to the quantity of power and energy taken by Consumer unless upon test the meter is found to be in error by more than > two percent (2%) with ANSI CI2 and/or ANSI C39.

The meter shall be open to inspection at all times by Consumer, upon reasonable notice and in the presence of the seller, but the operation, maintenance, reading, calibration and adjustment shall be done by Seller. The meter shall be tested every twelve (12) months at Seller’s expense. Additional tests of metering shall be made upon request of either party and the expense of such shall be borne by the requesting party if the metering facility is found to be correct, and by Seller if found to be incorrect. A registration within two percent (2%) of correct shall be considered correct; however, the meter shall be adjusted to one hundred percent (100%) accuracy as soon as possible.

A competent, qualified outside contractor with written approval of Seller will be allowed to test Seller’s metering equipment at Consumer’s expense in the presence of a duly qualified representative of Seller provided that: (a) Seller will have approved such contractor as being competent and qualified and has approved the contractor’s meter test equipment and testing procedures as being in compliance with the National Bureau of Standards; and (b) the contractor has agreed to indemnify the Seller for injuries to persons, including contractor, and damage to property, including that of Consumer, contractor and Seller caused by or arising out of such meter test, and Seller is satisfied that contractor is financially able, by its net worth, insurance or otherwise, of complying with such indemnity. A copy of the outside contractor’s test report must be furnished to Seller at the time the test is made.

If as a result of a meter test the meter is found to be outside the accuracy standards set forth above, corrected billings will be rendered for the period six (6) months preceding removal for testing or from the time the meter was last tested, but not exceeding six (6) months. Seller shall refund to Consumer any overcharge and Consumer will pay any undercharge as a result of such corrected billings. If the meter is found not to register for any period, unless bypassed or tampered with, Seller shall charge for the estimated amount of electricity used for a period of not to exceed three (3) months based on amounts used under similar conditions during the preceding or subsequent period or during corresponding periods of previous years. If a meter is found to
have been tampered with or bypassed, Consumer shall pay for the estimated amount of electricity used for the period which Seller determines to be affected by such tampering based upon usage under similar conditions of the preceding or subsequent period or during corresponding periods of previous years.

4.3 Billing.

Seller shall render to Consumer each month a statement of charges under this agreement. Consumer agrees to pay the total of each such billing within thirty (30) days after receipt thereof. All payments under this Agreement shall be made to Seller at its office in Brackettville, Kinney County, Texas. If all or any part of any amount due and payable pursuant to this Agreement shall remain unpaid thereafter, interest shall thereafter accrue and be payable to Company on such unpaid amount at a rate per annum equal to the Prime Rate plus 2% per annum.

ARTICLE 5 – EASEMENTS

5.1 Easements.

Consumer shall provide Seller with executed and acknowledged easements for all rights-of-way required, such easements shall be in a form acceptable to the seller, for required facilities as determined by Seller.

ARTICLE 6 – OWNERSHIP OF FACILITIES

6.1 Ownership.

Seller at all times has title to and complete ownership and control of the facilities, equipment, land rights and easements installed and/or used under this agreement and has the right to use such facilities in serving other Consumers to the extent that such use does not impact the electric service to be provided to the Consumer under the terms and conditions of this agreement.

ARTICLE 7 – TERMINATION AND CANCELLATION

7.1 Breach/Discontinuance of Service.
Notwithstanding any other provisions of this Agreement and without waiving any rights hereunder or remedies provided by law, Seller may discontinue service if Consumer has breached any portion of this Agreement by failure to make timely payment or otherwise, and Seller has given Consumer notice in accordance with the rules of the Public Utility Commission of Texas regarding Discontinuance of Service.

7.2 **Cancellation Clause.**

In the event that Consumer ceases operation during the initial term, and as a result desires to cancel this Agreement, the Consumer may do so by lump sum payment to Seller of an amount determined as follows:

\[
A = B \times C + D + E + F
\]

Where:

- **A** - Cancellation charge.
- **B** - Monthly facilities charge.
- **C** - Number of months remaining under this Agreement. The “C” component will be equal to zero after the facilities associated providing service have been removed or after the Seller exercises his right to retain all or part of the facilities under Paragraph 21.
- **D** - Any charges related to wholesale power cost which will be incurred by Seller in serving Consumer under provisions of its wholesale rate such as ratchet, minimum bill, or take or pay provisions.
- **E** - Cost of removal of facilities associated with service to Consumer less any credit for salvage value subject to Paragraph 21.
- **F** - Any other cost incurred in providing service to the Consumer.

7.3 **Removal of Facilities.**

Upon termination of service. Seller shall be entitled to exercise one of two options, namely: (a) to remove all or a portion of the facilities, or (b) to keep all or a portion of the facilities in place without removal. Seller shall exercise one of the two options by notifying the Consumer in writing within ninety (90) days after termination of service hereunder. If Seller elects to remove all or a portion of the facilities, the cost of removal less net salvage value shall be borne solely by the Consumer under the terms of termination agreement. If the Seller elects to retain all or a
portion of the facilities, removal of the retained facility shall be the sole responsibility of the Seller.
ARTICLE 8 – REPRESENTATIONS AND WARRANTIES

8.1 Seller and Consumer each represent and warrant to the other that:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
(b) It has, or will upon execution of this Agreement promptly seek, all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
(c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, including, but not limited to any organizational documents, charters, by-laws, indentures, mortgages or any other contracts or documents to which it is a party or any law, rule, regulation, order or the like applicable to it;
(d) This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to any equitable defenses;
(e) It is not bankrupt, however evidenced, and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it, which would result in it being or becoming bankrupt; and
(f) There is not pending or, to its knowledge, threatened against it any legal proceedings that could materially and/or adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 9 – NOTICES, REPRESENTATIVES OF THE PARTIES

9.1 Notices

Any notice, demand, or request required or authorized by this Agreement to be given by one Party to another Party shall be in writing. Such notice shall be sent by facsimile, electronic messaging (confirmed by telephone), courier, personally delivered or mailed, postage prepaid, to the representative of the other Parties designated in this Article 9. Any such notice, demand, or request shall be deemed to be given (i) when received by facsimile or electronic messaging, (ii)
when actually received if delivered by courier, overnight mail or personal delivery, or (iii) three (3) days after deposit in the United States mail, if sent by first class mail.

Notices and other communications by Consumer to Seller shall be addressed to:

CEO  
Rio Grande Electric Cooperative  
HWY 90 and SH 131  
Brackettville, TX  78832  
Phone:  (830) 563-2444  
Facsimile:  (830) 563-2450

Notices and other communications by Seller to Consumer shall be addressed to:

Any Party may change its representative by written notice to the other Parties.

9.2 **Authority of Representative**

The Parties’ representatives designated in Section 9.1 shall have full authority to act for their respective principals in all technical matters relating to the performance of this Agreement. The Parties’ representatives shall not, however, have the authority to amend, modify or waive any provision of this Agreement unless they are authorized officers of their respective entities and such amendment, modification or waiver is made pursuant to Section 12.15.

**ARTICLE 10 – LIABILITY, INDEMNIFICATION, AND RELATIONSHIP OF PARTIES**

10.1 **Limitation on Consequential, Incidental and Indirect Damages**

TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER CONSUMER NOR SELLER, NOR THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, MEMBERS, PARENTS OR AFFILIATES, SUCCESSOR OR ASSIGNS, OR THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, OR EMPLOYEES, SUCCESSORS OR ASSIGNS, SHALL BE LIABLE TO THE OTHER PARTY OR THEIR RESPECTIVE MEMBERS PARENTS, SUBSIDIARIES, AFFILIATES, OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, SUCCESSORS OR ASSIGNS, FOR CLAIMS, SUITS, ACTIONS OR CAUSES OF ACTION FOR INCIDENTAL, INDIRECT, LOST PROFIT SPECIAL, PUNITIVE,
MULTIPLE OR CONSEQUENTIAL DAMAGES CONNECTED WITH OR RESULTING FROM PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, OR ANY ACTIONS UNDERTAKEN IN CONNECTION WITH OR RELATED TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY SUCH DAMAGES WHICH ARE BASED UPON CAUSES OF ACTION FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND MISREPRESENTATION) (BUT EXCLUDING INDEMNITY UNDER SECTION 10.2), BREACH OF WARRANTY, STRICT LIABILITY, STATUTE, OPERATION OF LAW, OR ANY OTHER THEORY OF RECOVERY. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, UNLESS OTHERWISE SPECIFIED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND THE OBLIGOR’S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR’S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. THE PROVISIONS OF THIS SECTION 10.1 SHALL APPLY REGARDLESS OF FAULT AND SHALL SURVIVE TERMINATION, CANCELLATION, SUSPENSION, COMPLETION OR EXPIRATION OF THIS AGREEMENT.

10.2 Limitation on Remedy for Failure to Delivery

THE SELLER WILL NOT BE RESPONSIBLE OR LIABLE TO CONSUMER FOR INJURIES, AND/OR DAMAGE CAUSED BY OR RESULTING FROM FAILURE TO FURNISH ELECTRIC ENERGY AND SERVICE OF ANY KIND AND AMOUNT CONTRACTED FOR, AND/OR FOR INJURIES AND DAMAGES RESULTING FROM THE PERFORMANCE OR NON-PERFORMANCE OR ANY ACTS BY THE SELLER CONNECTED WITH THE FURNISHING OF ENERGY AND SERVICE BY THE SELLER, UNLESS AND THEN ONLY TO THE EXTENT THAT IT BE SHOWN THAT THE NEGLIGENCE OF THE SELLER WAS THE PROXIMATE CAUSE OF ANY INJURY OR DAMAGE COMPLAINED OF.
10.3 **Temporary Interruptions**

Seller will use reasonable diligence in furnishing Electric Service to Consumer, but Seller does not guarantee that the supply of Electric Service furnished to Consumer will be uninterrupted, or that voltage and frequency will be at all times constant or free from Temporary Interruptions. Temporary Interruption of Firm Energy deliveries hereunder shall not constitute a breach of the obligations of Seller under this Agreement, and Seller shall not in any such case be liable to Consumer for damages resulting from any such temporary interruptions of service. Temporary Interruptions means transmission, service interruptions caused by transmission, and service outages caused by weather, accidents, animals, and emergencies.

10.4 **Indemnification**

Each Party shall indemnify, defend and hold harmless each other Party from and against any Claims arising from or out of any event, circumstance, act or incident occurring or existing during the period when control and title to Large Power Service is vested in such Party as provided in Section 10.6.

Each Party shall indemnify and hold harmless the other Party from and against any and all legal Claims arising in any manner directly or indirectly by reason of the acts of such Party’s authorized representatives while on the premises of the other Party under the rights of access provided herein.

Seller assumes no responsibility of any kind with respect to the construction, maintenance, or operation of the system or other property owned or used by Consumer; and Consumer agrees to protect indemnify and save harmless Seller from any and all Claims for injuries to person or property by any person, firm or corporation in any way resulting from, growing out of, or arising in or in connection with (a) the construction, maintenance or operation of Consumer’s system or other property, or (b) the use of, or contact with, power and energy delivered hereunder after it is delivered to Consumer.

If any Party intends to seek indemnification under this Section 10.4 from any other Party with respect to any Claim, the Party seeking indemnification shall give such other Party notice of such Claim within thirty (30) days of the commencement of, or actual knowledge of, such Claim.
Such Party seeking indemnification shall have the right, at its sole cost and expense, to participate in the defense of any such Claim.

10.5 **Independent Contractor Status**

Nothing in this Agreement shall be construed as creating any relationship among Consumer and Seller other than that of independent contractors for the sale and purchase of Electric Service. No Party shall be deemed to be the agent of any other Party for any purpose by reason of this Agreement, and no partnership or joint venture or fiduciary relationship among the Parties is intended to be created hereby.

10.6 **Title: Risk of Loss**

Title to and risk of loss related to the Electric Service shall transfer from Seller to Consumer at the Consumer Delivery Points. Seller warrants that it will deliver Electric Service to Consumer free and clear of all Claims or any interest therein or thereto by any person arising prior to the Consumer Delivery Points.

**ARTICLE 11 – ASSIGNMENT**

11.1 **General Prohibition Against Assignments**

Except as provided in Section 11.2 below, no Party shall assign, pledge or otherwise transfer this Agreement or any right or obligation under this Agreement without first obtaining the other Parties’ written consent, which consent shall not be unreasonably withheld.

11.2 **Exceptions to Prohibition Against Assignments**

A Party may, without the other Party’s prior written consent, (and without relieving itself from liability hereunder) (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements; (ii) transfer or assign this Agreement to an Affiliate of such Party (which Affiliate shall be of equal or greater creditworthiness); or (iii) transfer or assign this agreement to any person or entity succeeding by merger or by acquisition to all or substantially all of the assets whose creditworthiness is equal to or higher than that of the assigning Party; provided, however, that in
each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof. Consumer expressly understands that Seller is a borrower of the United States of America, acting through its administrator, and the indebtedness created by such loans and loan guarantees made by the Government is evidenced, and with respect to future notes (“Notes”) shall be evidenced by one or more mortgages and security agreements made by and between the Seller and the United States of America, through its administrator, as it/they may be amended supplemented and/or restated from time to time (“Mortgage”) and that this Agreement and any and all assets of Seller may be pledged and assigned to secure the Notes as provided in the Mortgage. Consumer further expressly understands and agrees to any merger, acquisition, sale, or transfer of all or a substantial part of Seller’s assets and/or business to South Texas Electric Cooperative (“STEC”) should Seller, at its sole discretion, choose to merger, sell or transfer such assets and/or businesses to STEC.

ARTICLE 12 – GENERAL PROVISIONS

12.1 Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties thereto, and nothing herein will be construed to create any duty to, or standard of care with reference to, or any liability to, any person not a Party hereto.

12.2 No Dedication of Facilities

Any undertakings or commitments by one Party to the other under this Agreement shall not constitute the dedication of generation facilities or the transmission system or any portion thereof of either Party to the public or to the other Party. Whenever at Consumer’s request, Seller’s facilities are relocated solely to suit Consumer’s convenience, Consumer shall reimburse Seller for the entire cost incurred in making such change.

12.3 Waivers

The failure of a Party to insist in any instance upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights under this Agreement shall not be construed as a general waiver of any such provision or the relinquishment of any such right,
except to the extent such waiver is in writing and signed by an authorized representative of such Party.
12.4 **Interpretation**

The interpretation and performance of this Agreement shall be in accordance with and controlled by the laws of the State of Texas, without giving effect to its conflict of laws provisions.

12.5 **Severability**

If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired thereby; and the Parties hereby agree to effect such modifications to this Agreement as shall be reasonably necessary in order to give effect to the original intention of the Parties.

12.6 **Modification**

No modification to this Agreement will be binding on any Party unless it is in writing and signed by all Parties.

12.7 **Counterparts**

This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument.

12.8 **Headings**

Article and Section headings used throughout this Agreement are for the convenience of the Parties only and are not to be construed as part of this Agreement.

12.9 **Survival**

The provisions of Article 2 hereof, and any Section of this Agreement that specifies by its terms that it survives termination, shall survive the termination or expiration of this Agreement.

12.10 **Service Regulations**
The electrical services contracted for herein is to be provided and taken in accordance with the provisions of this agreement for electric service, and Seller’s service regulations on file at its Headquarters Office in Bracketville, Texas including any and all amendments that may hereafter be approved or ordered by the Board of Directors. SAID SERVICE REGULATIONS ARE A PART OF THIS AGREEMENT TO THE SAME EXTENT SET OUT HEREIN AND ARE ON FILE AND AVAILABLE AT SELLER’S OFFICES IN BRACKETTVILLE, TEXAS. To the extent of a conflict between the Service Regulations and this Agreement, this Agreement shall control.

12.11 **Headings**

Article and Section headings used throughout this Agreement are for the convenience of the Parties only and are not to be construed as part of this Agreement.

12.12 **Resale**

Consumer understands and agrees that the electric service provided under this agreement is not to be resold.

12.13 **Membership.**

Consumer shall become a member of the Rio Grande Electric Cooperative, Inc., shall pay the membership fee and be bound by the provisions of the Articles of Incorporation and Bylaws of the Seller and by such rules and regulations as may from time to time be adopted by the Seller.

12.14 **Continuity of Service.**

Seller shall use reasonable diligence to provide constant and uninterrupted electric power; however, if electric power or service should fail or be interrupted, or become defective, or be reduced through Force Majeure, Seller shall not be liable under the provisions of this Agreement.

12.15 **Amendments.**

No amendment to this Agreement will be valid or binding unless and until reduced to writing and executed by each Party’s authorized representative.
Rio Grande Electric Cooperative, Inc.
Tariff: Electrical
Section No: IV Sheet No: 49
Revision No: 1
Section Title: Forms
Effective Date: June 18, 2008
ARTICLE 13 – RULES OF CONSTRUCTION

13.1 Terms used in this Agreement but not listed in this Article or defined in Article 1 shall have meanings as commonly used in the English language and, where applicable, in Good Utility Practice.

13.2 Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used herein in accordance with such recognized meanings.

13.3 The masculine shall include the feminine and neuter.

13.4 The words “include”, “includes” and “including” are deemed to be followed by the words “without limitation.”

13.5 References to contracts, agreements and other documents and instruments shall be references to the same as amended, supplemented or otherwise modified from time to time.

13.6 The Appendices attached hereto are incorporated in and are intended to be a part of this Agreement; provided, that in the event of a conflict between the terms of any Appendices and the terms of this Agreement, the terms of this Agreement shall take precedence.

13.7 References to laws and to terms defined in, and other provisions of, laws shall be references to the same (or a successor to the same) as amended, supplemented or otherwise modified from time to time.

13.8 References to a person or entity shall include its successors and permitted assigns and, in the case of a governmental authority, any entity succeeding to its functions and capacities.

13.9 References to “Articles,” “Sections,” or “Appendices” shall be to articles, sections, or Appendices of this Agreement.

Unless the context plainly indicates otherwise, words importing the singular number shall be deemed to include the plural number (and vice versa); terms such as "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Agreement rather than any particular part of the same.
This Agreement was negotiated by both Parties with the advice and participation of counsel.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

(Consumer)
____________________________________
(Street Address)
____________________________________
(City)   (State)
____________________________________
Signature: ____________________________
Title: ________________________________
Date: ________________________________

ATTEST:
__________________________________
Secretary

Accepted by __________, this __________ day of ______, ________.

(Seller)
__________________________________
By: ________________________________
Title: ______________________________

ATTEST:
__________________________________
Secretary
411. AGREEMENT FOR INSTALLATION OF ELECTRIC SERVICE MATERIALS AND EQUIPMENT

This Agreement for Installation of Electric Service Materials and Equipment ("Agreement") is made as of the _____ day of _________, 2008 by and between Rio Grande Electric Cooperative, Inc., an electric cooperative corporation formed under Texas law ("RGEC"), and ______________________ a ______________ limited liability company ("__________ ").

BACKGROUND

______________________ is (or is in the process of becoming) a member of RGEC. At the request of ______________________, RGEC plans to design, procure, and install _______________ (the "Upgraded Power Line") to ______________________’s planned natural gas compression station facility in ___________, Texas (the "Installation"), as more particularly described in the Statement of Work attached as Exhibit A hereto (the "SOW").

Now, therefore, in consideration of the promise of reimbursement payments made to RGEC hereunder and the benefit to ______________________ of the Upgraded Power Line, RGEC and ______________________ agree as follows:

ARTICLE 1. RULES OF CONSTRUCTION; DEFINITIONS

1.1. Definitions.

As used in this Agreement, terms defined in Exhibit B have the meanings set forth therein.

1.2. Unless the context of this Agreement requires otherwise, the plural includes the singular, the singular includes the plural, and “including” has the inclusive meaning of “including without limitation.” The words “hereof”, “herein”, “hereby”, “hereunder”, and other similar terms of this Agreement refer to this Agreement as a whole and not exclusively to any particular provision of this Agreement. All pronouns and any variations thereof will be deemed to refer to masculine, feminine, or neuter, singular, or plural, as the identity of the Person or Persons may require. Unless otherwise expressly provided, any agreement, instrument, or Applicable Law defined or referred to herein means such agreement or instrument or Applicable Law as from time to time amended, modified, or supplemented, including (in the case of agreements or instruments) by
ARTICLE 2. SCOPE.

2.1 During the term of this contract, RGEC shall furnish the Installation set forth in the SOW.
2.2 ______________________ shall provide cleared easement(s) acceptable to RGEC to install the Updated Power Line at ______________________’s sole expense at any location in which the Updated Power Line will be on ______________________’s property. RGEC is not obligated to commence the design or construction of the Updated Power Line on ______________________’s property until such easements are conveyed to RGEC.
2.3 At the close of the Installation, RGEC shall provide ______________________ with the work order recap report reflecting costs incurred at the closing of the work order for the overall Installation. ______________________ shall have the option (but not the obligation), at its sole expense, to inspect the work performed by RGEC. RGEC shall retain ownership of all overhead and underground material and facilities installed by it. RGEC will own and maintain the step down transformer that will be located on the secondary side of the meter.
2.4 All Installation work will be conducted pursuant to RGEC’s Tariff.
2.5 RGEC will be solely responsible for and have control over the design, engineering, installation, construction, and testing with respect to the SOW, including the means, methods, techniques, scheduling, sequences, and procedures thereof, and will be solely responsible for coordinating each portion of the SOW with other portions of the SOW.
2.6 RGEC will perform all its activities with respect to the SOW in accordance with Good Utility Practices and in substantial conformity with Applicable Law.
2.7 RGEC will give ______________________ progress reports at the request of ______________________ (but not more often than monthly) regarding the status of the SOW until Completion.
2.8 RGEC will obtain and maintain, in the name of RGEC, all Permits required to be obtained or held by RGEC for or in connection with the performance of the SOW.
2.9 ______________________ will obtain and provide RGEC and its subcontractors, suppliers, consultants, agents, and its and their representatives and employees with uninterrupted access to the Installation as RGEC determines is necessary or desirable for its convenience to perform the SOW.
2.10 ______________________ will coordinate its activities (and those of its contractors, suppliers, vendors, and lenders) with those of RGEC and its subcontractors, suppliers, and vendors with respect to the SOW, and will generally cooperate with all such Persons so as to minimize delays, errors, inconsistencies, changes, and unnecessary costs in the performance of the SOW.

ARTICLE 3. CONTRACT PRICE.

3.1 ______________________ shall pay RGEC the actual cost for the Installation.
3.2 A schedule of estimated costs to install the Upgraded Power line is set forth in the SOW ("Cost Estimate"), attached as Exhibit A. ______________________ and RGEC agree that the Cost Estimate is merely an estimate and that the actual costs may be less than or greater than the Cost Estimate. If the actual costs of construction are more than the Cost Estimate, ______________________ will be responsible for the actual costs incurred that are more than the Cost Estimate. RGEC will invoice ______________________ for any costs incurred that exceed the Cost Estimate. ______________________ agrees to pay said invoice(s) within twenty-one days of receipt of said invoice(s). If the actual costs of construction are less than the Cost Estimate, RGEC will credit or refund to ______________________, within twenty-one days of the work order recap report, for actual costs incurred that are less than payments received.

ARTICLE 4. TERM.

4.1 The term of this Agreement shall begin on the date first written above and terminate on completion, unless extended by mutual agreement of the parties or earlier terminated as provided below.
4.2 Completion will be achieved when the SOW has been completed in substantial conformity with Exhibit A. RGEC will give ______________________ written notice after RGEC believes that completion has been achieved ("Completion Notice"). Within 15 days of receiving the Completion Notice, ______________________ will either agree in writing or give RGEC a detailed written description of the respects in which Completion has not been achieved. If ______________________ does not respond in writing within the 15 day period, Completion will be conclusively deemed to have been achieved.
4.3 ______________________ reserves the right to terminate this Agreement, or any part hereof, for its sole convenience. In the event of such termination, RGEC shall immediately cease all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. In case of termination for convenience by ______________________ of all or any
part of this contract, RGEC may submit a claim to ______________________ within 60 days after the effective date of termination. ______________________ shall pay RGEC the amount of the claim within twenty-one days after receipt and ______________________'s obligation to pay the claim shall survive the termination of this Agreement.

ARTICLE 5. PROVISIONS CONCERNING PERFORMANCE.

5.1 Excused Performance.

5.1.1. Excused Performance. If, because of Force Majeure or Counterparty Nonperformance, a party is rendered wholly or partly unable to perform its obligations under this Agreement (other than any obligation to pay money), that party will be excused from whatever performance is affected by the Force Majeure event or Counterparty Nonperformance (other than any obligation to pay money) to the extent affected; provided that:

(a) the excused party oversees such interruption in accordance with Good Utility Practice to the extent practicable;

(b) the excused party, within 10 days after the occurrence of the Force Majeure or Counterparty Nonperformance, gives the other party written notice describing the particulars of the occurrence;

(c) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure event or Counterparty Nonperformance;

(d) the excused party uses its reasonable efforts to remedy its inability to perform (provided, however, that no party will be required to settle any strike, walkout, lockout, or other labor dispute on terms which, in the sole judgment of the party involved in the dispute, are contrary to its interest, it being understood that the settlement of strikes, walkouts, lockouts, or other labor disputes will be at the sole discretion of the party having the difficulty); and
(e) when the excused party is able to resume performance of its obligations under this Agreement, that party will give the other party written notice to that effect.

5.1.2. Definition of Force Majeure. “Force Majeure” means a cause reasonably beyond the control of the party affected, which with the exercise of reasonable diligence could not reasonably be prevented, avoided or removed by such affected party, which causes such party to be delayed in performance of, or unable to perform, its obligations under this Agreement (other than any obligation for the payment of money). Such causes may include, to the extent they meet the foregoing criteria, condemnation; expropriation; invasion; plague; drought; landslide, hurricane, flood; lightning; tornado; storm, earthquake; fire; explosion; epidemic; quarantine; war (declared or undeclared), terrorism or other armed conflict; material physical damage caused by third parties; inability of a party to gain access to real property as necessary to perform this Agreement (except to the extent that the failure to gain access is the result of the acts or omission of the party seeking access), riot or similar civil disturbance or commotion; other acts of God; acts of the public enemy; blockade; insurrection, riot or revolution; sabotage or vandalism; embargoes; a change in law as described in Section 5.1.3; actions of a governmental authority; and national and general labor strikes or work stoppages.

5.1.3. Change in Law. In the event a party is unable to perform any duty or obligation hereunder to the extent due to changes in any applicable law, this Agreement will be amended as necessary to comply with the change in applicable law precluding the party’s performance of such duty or obligation, but in the absence of such an amendment, the party will be excused from the performance of that duty or obligation to the extent so affected.

5.1.4. Counterparty Nonperformance. “Counterparty Nonperformance” consists of failure by a party to perform its obligations under this Agreement to such extent that the failure impairs the ability of the other party to perform its obligations under this Agreement.
ARTICLE 6. DEFAULT; TERMINATION; REMEDIES.

6.1. Events of Default; Notice and Cure.

The failure of either party to keep, observe or perform any material terms, covenants or agreements of this Agreement and the failure to cure such actions or inactions as provided in this Section, will be an “Event of Default”.

6.1.1. Monetary Defaults. If a party fails to pay any amount due to the other party under this Agreement on or before the payment date therefor, the party entitled to such payment will give a “Notice of Default”, describing each such failure in reasonable detail. After receipt of such a Notice of Default, the receiving party will have 7 days (the “Default Cure Period”) to cure the failure.

6.1.2. Material Non-Monetary Defaults. If a party believes that the other party has failed to keep, observe or perform any material term, covenant or agreement of this Agreement, it will give a “Notice of Default”, describing each such failure in reasonable detail. After receipt of a Notice of Default, the receiving party will have 30 days to cure such failure, or if such failure cannot be fully cured within 30 days, the receiving party will have such additional time (in each case, the “Default Cure Period”) to effect the cure if the cure is commenced within that 30-day period and so long as such cure is diligently and effectively pursued.

6.1.3. Insolvency. If a party suffers an Insolvency Event, an Event of Default by that party will exist.

6.2. Termination.

6.2.1. Termination by Mutual Agreement. Subject to Section 4.3, The parties may terminate any part or the entire Agreement by mutual written agreement at any time.

6.2.3. Termination for Cause. This Agreement may be terminated upon written notice if there is an Event of Default by a party described in Section 6.1.
6.3. Other Remedies.

6.3.1. Monetary Amounts Due. RGEC will be entitled to recover monetary amounts due under this Agreement following an Event of Default under Section 6.1.1.

6.3.2. Allowable Damages. Subject to the limitations in Section _____ and Section 6.4, either party will be entitled to recover damages ("Allowable Damages") arising from an Event of Default of the other party under Section 6.1.2 or the negligence, gross negligence, or willful misconduct of the other party arising under or in connection with this Agreement (including the performance or non-performance thereof).

6.4. Limitations on Liability.

6.4.1. No Consequential Damages. Except for claims for indemnification under Article 6, neither party will be liable to the other for any special, incidental, indirect, punitive, exemplary, or consequential damages (including but not limited to damages for loss of use of equipment, lost business opportunities or profits, damage to reputation, or loss or damage incurred by a party’s customer(s) arising from any voltage fluctuation or discontinuance or interruption of electric service), even if the defaulting party was aware of the possibility of such damages, regardless of the theory of liability under which such damages are sought.

6.4.2 Warranty Disclaimer. OTHER THAN AS EXPRESSLY STATED IN THIS AGREEMENT, RGEC MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, REGARDING THE WORK PERFORMED UNDER THIS AGREEMENT. RGEC SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE 7 INDEMNIFICATION OF THIRD-PARTY CLAIMS.

7.1. RGEC Indemnified Party.

It is the specific and express intent and the agreement of the parties that to the fullest extent permitted by Applicable Law, ______________________ will indemnify, defend, save,
and hold harmless RGEC, and its successors, permitted assigns, Affiliates, and its and their respective shareholders, members, partners (general and limited), officers, directors, managers, trustees, employees, agents, attorneys, consultants, servants and representatives (each a “RGEC Indemnified Party”) from any and all Losses asserted against, resulting to, imposed upon or incurred by the ______________ Indemnified Party directly or indirectly, as a result of a claim made by a third party for personal injury (including mental anguish) or death or damage to real property or tangible personal property to the proportionate extent arising out of this Agreement or the activities of the parties hereunder and resulting from or attributable to any act or omission of ______________, its officers, employees, agents, or contractors. The rights and remedies provided to a RGEC Indemnified Party under this Article 7 are cumulative with any other right such RGEC Indemnified Party has or may hereafter acquire under Applicable Law and any rights or remedies such RGEC Indemnified Party has may be asserted completely against ______________ without regard to any rights or remedies the RGEC Indemnified Party may have against any other Person.

7.2. ______________ Indemnified Party.

It is the specific and express intent and the agreement of the parties that to the fullest extent permitted by Applicable Law, RGEC will indemnify, defend, save, and hold harmless ______________, and its successors, permitted assigns, Affiliates, and its and their respective shareholders, members, partners (general and limited), officers, directors, managers, trustees, employees, agents, attorneys, consultants, servants and representatives (each a “______________Indemnified Party”) from any and all Losses asserted against, resulting to, imposed upon or incurred by the ______________ Indemnified Party directly or indirectly, as a result of a claim arising out of this Agreement or the activities of the parties hereunder and resulting from or attributable to any act or omission of RGEC, its officers, employees, agents, or contractors. The rights and remedies provided to a ______________ Indemnified Party under this Article 7 are cumulative with any other right such ______________ Indemnified Party has or may hereafter acquire under Applicable Law and any rights or remedies such ______________ Indemnified Party has may be asserted completely against RGEC without regard to any rights or remedies the ______________ Indemnified Party may have against any other Person.

7.3 Survival of Indemnification Obligations.

The provisions of this Article 7 will survive a termination of this Agreement.
ARTICLE 8. CONTRACT DOCUMENTS.

8.1 The Contract Documents are made a part hereof and consist of the following:
   8.1.1 SOW and Cost Estimate for the Upgraded Power Line.
   8.1.2 Any modification duly signed by RGEC and ______________________ and delivered after execution of Agreement.
   8.1.3 Map of the area in which the Upgraded Power Line will be constructed.
   8.1.4 Membership Agreement
   8.1.5 RGEC’s Tariff
   8.1.6 Power Service Agreement between ______________________ and RGEC

8.2 There are no Contract Documents other than those listed above. The Contract Documents may only be altered, amended or repealed by an Amendment/Modification in writing and signed by both parties.

ARTICLE 9. VENUE.

9.1 RGEC and ______________________ agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

ARTICLE 10. SEVERABILITY.

10.1 If any clause or provision of this Agreement is held invalid, illegal or unenforceable under present or future federal, state or local laws, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein; it is also the intention of the parties hereto that in lieu of each clause or provision of this Agreement that is invalid, illegal or unenforceable, there be added as a part of this Agreement a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

ARTICLE 11. ENTIRE AGREEMENT.

11.1 This Agreement and the Contract Documents constitute the entire and integrated Agreement relating to the Installation between the parties hereto and contain all of the terms and
conditions agreed upon, and supersede all prior negotiations, representations, or contracts, either oral or written.

ARTICLE 12. GENERAL REPRESENTATIONS AND WARRANTIES.

Each party hereby represents and warrants to the other party that:

12.1.1. it is duly incorporated, organized, or formed (as applicable), validly existing, and in good standing under the Applicable Laws of the jurisdiction of its incorporation, organization, or formation;

12.1.2. if required by Applicable Law, it is duly qualified and in good standing in the jurisdiction of its principal place of business, if different from its jurisdiction of incorporation, organization or formation;

12.1.3. it has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all necessary actions by the board of directors, shareholders, managers, members, partners, trustees, beneficiaries or other applicable Persons necessary for the due authorization, execution, delivery and performance of this Agreement by it have been duly taken;

12.1.4. it has duly executed and delivered this Agreement and any other documents contemplated herein to be executed as of the Effective Date, and they constitute the legal, valid and binding obligation of it enforceable against it in accordance with their terms (except as may be limited by bankruptcy, insolvency or similar Applicable Law pertaining to creditors’ rights or by general principles of equity, regardless of whether considered at law or in equity); and

12.1.5. its authorization, execution, delivery and performance of this Agreement does not and will not: (i) conflict with, or result in a breach, default or violation of (A) its organizational documents, (B) any agreement to which it is a party or is otherwise bound, or (C) any Applicable Law, order, judgment, decree, writ, injunction or arbitral award to which it is subject; or (ii) require any consent, approval or authorization from, filing or registration with, or notice to, any Governmental Authority or other Person, unless such requirement has already been satisfied.
ARTICLE 13. NOTICE PROVISIONS.

Any notice that is required or permitted under this Agreement will be effective upon receipt if given by personal delivery to the party entitled thereto, by facsimile transmission, by any courier service which guarantees overnight, receipted delivery, or by U.S. Certified or Registered Mail, return receipt requested, addressed to the party entitled thereto, at the address set out beside such party’s title or at such other address as may be specified from time to time by written notice hereunder:

If to __________________:

______________________, LLC
Attn: [________________________________, Contract Administrator]
[_____________________________________
[_____________________________________
[_____________________________________
Facsimile: (___) ___-____

If to the RGEC:

Rio Grande Electric Cooperative, Inc.
Attn: [________________________________, Contract Administrator]
[_____________________________________
[_____________________________________
[_____________________________________
Facsimile: (___) ___-____
ARTICLE 14. MISCELLANEOUS

14.1 Further Acts.

In addition to the acts recited in this Agreement to be performed by the parties hereto, each party agrees to execute and deliver such additional agreements and documents and take such additional actions as are consistent with the provisions of this Agreement and may be reasonably necessary or appropriate in connection with the transactions contemplated hereby, as reasonably requested by the other party.

14.2 Interest on Overdue Amounts.

Any amount due to a party under this Agreement will earn interest accruing daily from the deadline for payment thereof until paid at the lesser of (i) an annual rate equal to the Prime Rate from time to time plus 2 percentage points, or (ii) the maximum rate allowed by Applicable Law.

14.3 No Agency or Partnership.

Except as expressly and specifically provided herein, neither party will be deemed by virtue of this Agreement to be an employee or agent of the other. Any and all joint venture or partnership status between the parties by virtue of this Agreement is hereby expressly denied.

14.4 Merger & Integration; Binding on Successors; No Third Party Beneficiaries.

The terms and conditions of this Agreement will inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.
14.5 Survival.

Any provision specifically designated in this Agreement to survive the termination hereof and (unless otherwise expressly provided) any other provision which, by its nature, necessarily may become performable by a party after termination of this Agreement will survive termination of this Agreement.

14.6 Forbearance and Waiver.

Except where a specific time period is provided hereunder for the exercise of a right or remedy, any party’s forbearance in the exercise or enforcement of any right or remedy under this Agreement will not constitute a waiver thereof, and a waiver under one circumstance will not constitute a waiver under any other circumstance.

14.7 Construction.

This Agreement was prepared jointly by the parties, and no rule that it be construed against the drafter will have any application in its construction or interpretation.

14.8 Multiple Counterparts.

This Agreement may be executed by the parties in multiple original counterparts, and each such counterpart will constitute an original hereof.

______________________, LLC

By: ____________________________

(name)__________________________

(title)__________________________

RIO GRANDE ELECTRIC COOPERATIVE, INC.

By: ____________________________

Roger Andrade

CEO
EXHIBIT B

DEFINITIONS

Terms defined in this Exhibit B will have the meanings set forth in this Exhibit.

<table>
<thead>
<tr>
<th>TERM</th>
<th>DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Affiliate</td>
<td>With respect to any person, any other person (other than an individual) that, directly or indirectly, through one or more intermediaries,</td>
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<tr>
<td></td>
<td>controls, or is controlled by, or is under common control with, such person. For this purpose, “control” means the direct or indirect</td>
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<tr>
<td></td>
<td>ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.</td>
</tr>
<tr>
<td>2. Agreement</td>
<td>As defined in the first paragraph.</td>
</tr>
<tr>
<td>3. Allowable Damages</td>
<td>As defined in Section 6.3.2.</td>
</tr>
<tr>
<td>4. Applicable Law</td>
<td>Any statute, law, ordinance, executive order, rule, or regulation (including a regulation that has been formally promulgated in a rule</td>
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<td></td>
<td>making proceeding but, pending final adoption, is in proposed or temporary form having force of law), guideline or notice having force</td>
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<tr>
<td></td>
<td>of law, or approval, permit, license, franchise, judgment, order, decree, injunction, or writ of any Governmental Authority applicable to</td>
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<td>a specified Person or specified property, as in effect from time to time.</td>
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<td>5. Claim</td>
<td>All third party claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly</td>
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<td>relate to the subject matter of this Agreement, and the resulting losses, damages, expenses, attorneys’ fees and court costs, whether</td>
</tr>
<tr>
<td></td>
<td>incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement.</td>
</tr>
</tbody>
</table>
6. **Completion**
   As defined in Section 4.4.2.

7. **Completion Notice**
   As defined in Section 4.4.2.

8. **Contract Documents**
   As defined in the Section 8

9. **Counterparty Non-performance**
   As defined in Section 5.1.4.

10. **Default Cure Period**
    As defined in Section 6.1.2.

11. **Effective Date**
    As set forth on the cover page of this Agreement.

12. **RGEC Indemnified Party**
    As defined in Section 7.1.

13. **Event of Default**
    As defined in Section 6.1.

14. **Force Majeure**
    As defined in Section 5.1.2.

15. **Good Utility Practices**
    Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, would reasonably be expected to accomplish the desired result at a reasonable cost consistent with prudent business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act, to the exclusion of all others, but rather is intended to include acceptable practices, methods, and acts generally accepted in the region.

16. **Governmental Authority**
    Any federal, state, foreign, tribal, local, or municipal governmental
body, and any governmental, regulatory, or administrative agency, commission, body, agency, instrumentality, or other authority exercising or entitled to exercise any executive, judicial, legislative, administrative, regulatory, or taxing authority or power, including any court or other tribunal.

17. Insolvency Event

“Insolvency Event” means, with respect to any Person, (a) such Person’s (i) failure to generally pay its debts as such debts become due, (ii) admitting in writing its inability to pay its debts generally or (iii) making a general assignment for the benefit of creditors; (b) any proceeding being instituted by or against such Person (i) seeking to adjudicate it as bankrupt or insolvent, (ii) seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or (iii) seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against such Person, either such proceeding will remain undismissed for a period of 60 days or any of the actions sought in such proceeding will occur; or (c) such Person’s taking any action to authorize any of the actions set forth above in this definition.

18. Installation

As defined in the Background Section.

19. Losses

“Losses” means (i) demands, claims, actions, suits, investigations, and legal or other proceedings brought against an indemnified party by an unrelated third party, and any judgments or assessments, fines, or penalties rendered therein, and (ii) all liabilities, damages, losses, judgments, penalties, taxes, assessments, costs, and expenses incurred or suffered by an indemnified party including reasonable attorneys’ fees (other than those computed on a contingency fee basis), court costs, and other documented out-of-pocket litigation expenses reasonably incurred by any indemnified party or parties), to the extent not reimbursed or paid for by insurance. In all cases in which a Person is entitled to be indemnified in accordance with this Agreement, such indemnified party will be under a duty to take all commercially reasonable measures to mitigate all Losses.
20. **Notice of Default**

As defined in Section 6.1.2.

21. **Person**

Any individual, corporation, partnership, limited liability company, other business organization of any kind, association, trust, or governmental entity, agency, or instrumentality.

22. **Prime Rate**

A rate per annum equal to the rate published in the *Wall Street Journal* as the prime commercial lending rate for major United States banks (whether such rate is called the “prime rate,” “base rate” or any other name), which is in effect (including changes therein) during the interest accrual period.

23. **Indemnified Party**

As defined in Section 7.2.

24. **Statement of Work**

As defined in the Background Section.

25. **Term**

As defined in Section 4.

26. **Upgraded Power Line**

As defined in the Background Section.