

**THE ONTONAGON COUNTY RURAL
ELECTRIFICATION ASSOCIATION**

**RATE BOOK
FOR
ELECTRIC SERVICE**

These Standard Rules and Regulations and Rate Schedules contained herein have been adopted by the Cooperative to govern its relations with Member-Consumers and have been approved by the Board of Directors of The Ontonagon County Rural Electrification Association as an integral part of its Rate Book for Electric Service.

Copies of the Cooperative's Rate Book for Electric Service are available on The Ontonagon County Rural Electrification Association's website at the following website address, (to be inserted at a later date).

Territory

This Rate Book for Electric Service applies to the entire territory served with Electricity by the Cooperative.

THIS RATE BOOK SUPERSEDES AND CANCELS RATE BOOK

M.P.S.C. No. 3 - Electric

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Original Sheet No. A-2.03	February 26, 2013
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Fourth Revised Sheet No. A-3.00	December 4, 2017
Second Revised Sheet No. A-3.01	July 25, 2017
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Original Sheet No. F-1.00	February 26, 2013

COUNTIES/TOWNSHIPS SERVED IN MICHIGAN

COUNTY

TOWNSHIP

BARAGA

Baraga
L'anse
Arvon

HOUGHTON

Elm River (Radio Station only)
Osceola
Calumet
Franklin
Quincy
Hancock
Torch Lake
Schoolcraft
Portage
Chassell
Stanton
Laird
Duncan

KEWEENAW

Sherman
Allouez
Grant

ONTONAGON

Ontonagon
Greenland
Rockland
Carp Lake
Bohemia
Matchwood
McMillan
Stannard
Interior
Haight

SERVICE MAP

ADMINISTRATIVE RULES INDEX

B1. TECHNICAL STANDARDS FOR ELECTRIC SERVICE (R 460.3101 - R 460.3908) (FOR ALL MEMBER-CONSUMERS)

http://w3.lara.state.mi.us/orrsearch/108_11_AdminCode.pdf

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- B1. TECHNICAL STANDARDS FOR ELECTRIC SERVICE (R 460.3101 - R 460.3908) (FOR ALL MEMBER-CONSUMERS)(Contd)
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B1. TECHNICAL STANDARDS FOR ELECTRIC SERVICE (R 460.3101 - R 460.3908) (FOR ALL MEMBER-CONSUMERS)(Contd)
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- R 460.3702 Standard nominal service voltage; limits; exceptions.
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B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS
RESIDENTIAL SERVICE (R 460.101 - R 460.169)
http://w3.lara.state.mi.us/orrsearch/107_92_AdminCode.pdf

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B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS
RESIDENTIAL SERVICE (R 460.101 - R 460.169) (Contd)
http://w3.lara.state.mi.us/orrsearch/107_92_AdminCode.pdf

PART 5. BILLING AND PAYMENT STANDARDS

- R 460.117 Billing frequency; method of delivery
- R 460.118 Equal monthly billing.
- R 460.119 Cycle billing.
- R 460.120 Payment of bill.
- R 460.121 Payment period.
- R 460.122 Allowable charges.
- R 460.123 Bill information.
- R 460.124 Separate bills.
- R 460.125 Billing for non-tariff services
- R 460.126 Billing error.

PART 6. VOLUNTARY TERMINATION OF SERVICE

- R 460.127 Voluntary termination.

PART 7. UTILITY PROCEDURES

- R 460.128 Applicability.
- R 460.129 Complaint procedures.
- R 460.130 Personnel procedures.
- R 460.131 Publication of procedures.
- R 460.132 Access to rules and rates.
- R 460.133 Reporting requirements.
- R 460.134 Inspection.
- R 460.135 Customer access to consumption data.

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B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS
RESIDENTIAL SERVICE (R 460.101 - R 460.169) (Contd)
http://w3.lara.state.mi.us/orrsearch/107_92_AdminCode.pdf

PART 8. PROCEDURES FOR SHUTOFF AND RESTORATION OF SERVICE

- R 460.136 Emergency shutoff.
- R 460.137 Shutoff permitted.
- R 460.138 Notice of shutoff.
- R 460.139 Form of notice.
- R 460.140 Time of shutoff.
- R 460.141 Manner of shutoff.
- R 460.142 Manner of shutoff for service provided with remote shutoff and restoration capability.
- R 460.143 Shutoff prohibited.
- R 460.144 Restoration of service.

PART 9. ENERGY ASSISTANCE AND SHUTOFF PROTECTION PROGRAMS\

- R 460.145 Listing of energy assistance programs.
- R 460.146 Notice of energy assistance programs.
- R 460.147 Medical emergency.
- R 460.148 Winter protection plan for low-income Member-Consumers.
- R 460.149 Winter protection plan for senior citizens.
- R 460.150 Military protections.

PART 10. DISPUTED CLAIM, HEARING AND SETTLEMENT AGREEMENT

- R 460.151 Disputed claim.
- R 460.152 Utility hearing and hearing officers.
- R 460.153 Notice of hearing.
- R 460.154 Hearing procedures.
- R 460.155 Settlement agreement.
- R 460.156 Default of settlement agreement.
- R 460.157 Same dispute.

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B2. CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND GAS
RESIDENTIAL SERVICE (R 460.101 - R 460.169) (Contd)
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PART 11. COMMISSION APPEAL PROCEDURES

- R 460.158 Informal appeal.
- R 460.159 Filing procedures.
- R 460.160 Informal appeal procedures.
- R 460.161 Interim determination.
- R 460.162 Appeal review.
- R 460.163 Shutoff pending decision.
- R 460.164 Informal appeal decision.
- R 460.165 Failure to comply with informal appeal decision.
- R 460.166 Same dispute.
- R 460.167 Formal appeal.
- R 460.168 Other remedies.
- R 460.169 Scope of rules.

B3. UNCOLLECTIBLES ALLOWANCE RECOVERY FUND (R 460. 2601 - R 460.2625)
(RESIDENTIAL MEMBER-CONSUMERS)
http://w3.lara.state.mi.us/orrsearch/108_09_AdminCode.pdf

PART 1. GENERAL PROVISIONS

- R 460.2601 Application of rules.
- R 460.2602 Definitions.

PART 2. UNCOLLECTIBLES ALLOWANCE RECOVERY FUND - **RESCINDED**

- R 460.2621 Uncollectibles allowance recovery fund.
- R 460.2622 Annual deposits.
- R 460.2623 Notice of deposit.
- R 460.2624 Disputes; procedure for resolution.
- R 460.2625 Disbursement of funds.

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B4. BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS
MEMBER-CONSUMERS (R 460.1601 – R 460.1640) (NONRESIDENTIAL MEMBER-
CONSUMERS)

http://w3.lara.state.mi.us/orrsearch/108_03_AdminCode.pdf

PART 1. GENERAL PROVISIONS

- R 460.1601 Applicability; purpose.
- R 460.1602 Definitions.
- R 460.1603 Discrimination prohibited.
- R 460.1604 Form of proceedings.
- R 460.1605 Additional rules.

PART 2. APPLICATION FOR SERVICE

- R 460.1606 Application for new service.

PART 3. GENERAL CUSTOMER DEPOSIT CONDITIONS

- R 460.1607 Customer deposits.

PART 4. METER READING, ESTIMATED BILLS, BILLING ADJUSTMENTS,
VOLUNTARY TERMINATION, AND METER RELOCATION

- R 460.1608 Meter reading interval and estimated bills.
- R 460.1609 Metering inaccuracies; billing adjustments.
- R 460.1610 Voluntary termination.
- R 460.1611 Meter or facilities relocation charge.

PART 5. BILLING AND PAYMENTS

- R 460.1612 Cycle billing.
- R 460.1613 Billing information.
- R 460.1614 Discounts and late payment charges.
- R 460.1615 Delivery and payment of bills.
- R 460.1616 Billing for unregulated service.
- R 460.1617 Billing errors.

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B4. BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS
MEMBER-CONSUMERS (R 460.1601 – R 460.1640) (NONRESIDENTIAL MEMBER-
CONSUMERS)(Contd)

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PART 6. CUSTOMER RELATIONS AND UTILITY PROCEDURES

- R 460.1618 Selection of rate, customer information, and service.
- R 460.1619 Inspection.
- R 460.1620 Customer access to consumption data.
- R 460.1621 Servicing utility equipment on customer's premises.
- R 460.1622 Customer complaints; investigation; records.
- R 460.1623 Records and reports.

PART 7. SHUTOFFS AND RESTORATION

- R 460.1624 Notice of shutoff.
- R 460.1625 Denial or shutoff of service to Member-Consumers.
- R 460.1626 Manner of shutoff for service provided with remote shutoff and restoration capability.

PART 8. DISPUTED CLAIMS, HEARINGS AND SETTLEMENT AGREEMENTS

- R 460.1628 Disputed claim.
- R 460.1629 Settlement agreement.
- R 460.1630 Default of settlement agreement.
- R 460.1631 Informal hearing and hearing officers.
- R 460.1632 Notice of hearing.
- R 460.1633 Hearing procedures.
- R 460.1634 Informal appeal procedures.
- R 460.1635 Interim determination.
- R 460.1636 Appeal review.
- R 460.1637 Shutoff pending decision.
- R 460.1638 Informal appeal decision.
- R 460.1639 Failure to comply with informal appeal decision.
- R 460.1640 Scope of rules.

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B5. UNDERGROUND ELECTRIC LINES (R 460.511 - R 460.519)

http://w3.lara.state.mi.us/orrsearch/107_96_AdminCode.pdf

- R 460.511 Payment of difference in costs.
- R 460.512 Extensions of residential distribution and service lines in the lower peninsula mainland.
- R 460.513 Extensions of commercial and industrial lines in lower peninsula mainland.
- R 460.514 Costs in case of special conditions.
- R 460.515 Extensions of lines in other areas of state.
- R 460.516 Replacement of existing overhead lines.
- R 460.517 Underground facilities for convenience of utilities or where required by ordinances.
- R 460.518 Exceptions.
- R 460.519 Effective dates.

B6. ELECTRICAL SUPPLY AND COMMUNICATION LINES AND ASSOCIATED EQUIPMENT (R 460.811 - R 460.815)

http://w3.lara.state.mi.us/orrsearch/107_99_AdminCode.pdf

- R 460.811 Definitions.
- R 460.812 Purpose.
- R 460.813 Standards of good practice; adoption by reference.
- R 460.814 Exemption from rules; application to commission; public hearing.

B7. RULES AND REGULATIONS GOVERNING ANIMAL CONTACT CURRENT MITIGATION (STRAY VOLTAGE) (R 460.2701 - R 460.2707)

http://w3.lara.state.mi.us/orrsearch/108_10_AdminCode.pdf

- R 460.2701 Definitions.
- R 460.2702 Measuring animal contact voltage.
- R 460.2703 Action required to mitigate animal contact current.
- R 460.2704 Request for investigation.
- R 460.2705 Appointment of experts.
- R 460.2706 Request for a contested case hearing.
- R 460.2707 Protocol to evaluate utility contribution to animal contact current.

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- B8. ELECTRIC INTERCONNECTION AND NET METERING STANDARDS (R 460.601 - R 460.656)
http://w3.lara.state.mi.us/orrsearch/107_97_AdminCode.pdf

PART 1. GENERAL PROVISIONS

- R 460.601a Definitions; A-I.
- R 460.601b Definitions; J-Z.
- R 460.602 Adoption of standards by reference.
- R 460.604 Prohibited practice.
- R 460.606 Designated points of contact.
- R 460.608 Alternative dispute resolution.
- R 460.610 Appointment of experts.
- R 460.612 Waivers.

PART 2. INTERCONNECTION STANDARDS

- R 460.615 Electric Utility interconnection procedures.
- R 460.618 Interconnection fees.
- R 460.620 Application and interconnection process.
- R 460.622 Modifications to project.
- R 460.624 Insurance.
- R 460.626 Disconnection.
- R 460.628 Easements and rights-of-way.

PART 3. NET METERING STANDARDS

- R 460.640 Application process.
- R 460.642 Net metering application and fees.
- R 460.644 Net metering program size.
- R 460.646 Generation and net metering equipment.
- R 460.648 Meters.
- R 460.650 Billing and credit for true net metering Member-Consumers.
- R 460.652 Billing and credit for modified net metering Member-Consumers.
- R 460.654 Renewable energy credits.
- R 460.656 Penalties.

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B9. ELECTRIC DISTRIBUTION SERVICE STANDARDS (R 460.701 - R 460.752)
http://w3.lara.state.mi.us/orsearch/107_98_AdminCode.pdf

PART 1. GENERAL PROVISIONS

- R 460.701 Application of rules.
- R 460.702 Definitions.
- R 460.703 Revision of tariff provisions.

PART 2. UNACCEPTABLE LEVELS OF PERFORMANCE

- R 460.721 Duty to plan to avoid unacceptable levels of performance.
- R 460.722 Unacceptable levels of performance during service interruptions. R 460.723 Wire down relief requests.
- R 460.724 Unacceptable service quality levels of performance.

PART 3. RECORDS AND REPORTS

- R 460.731 Deadline for filing annual reports.
- R 460.732 Annual report contents.
- R 460.733 Availability of records.
- R 460.734 Retention of records.

PART 4. FINANCIAL INCENTIVES AND PENALTIES

- R 460.741 Approval of incentives by the commission.
- R 460.742 Criteria for receipt of an incentive.
- R 460.743 Disqualification.
- R 460.744 Penalty for failure to restore service after an interruption due to catastrophic conditions.
- R 460.745 Penalty for failure to restore service during normal conditions.
- R 460.746 Penalty for repetitive interruptions of the same circuit.
- R 460.747 Multiple billing credits allowed.
- R 460.748 Effect in other proceedings.

PART 5. WAIVERS AND EXCEPTIONS

- R 460.751 Waivers and exceptions by electric utilities.
- R 460.752 Proceedings for waivers and exceptions.

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ADDITIONAL ADMINISTRATIVE RULES

*Waivers may have been granted by the Commission to the Cooperative for certain portions of the administrative rules below.

- B10. PRACTICE AND PROCEDURE BEFORE THE COMMISSION (R 460.17101 - R 460.17701)
http://w3.lara.state.mi.us/orrsearch/934_2009-046LR_AdminCode.pdf
- B11. FILING PROCEDURES FOR ELECTRIC, WASTEWATER, STEAM AND GAS UTILITIES
(R 460.2011 - R 460.2031)
http://w3.lara.state.mi.us/orrsearch/832_10798_AdminCode.pdf
- B12. RESIDENTIAL CONSERVATION PROGRAM STANDARDS (R 460.2401 - R 460.2414)
http://w3.lara.state.mi.us/orrsearch/835_10801_AdminCode.pdf
- B13. PRESERVATION OF RECORDS OF ELECTRIC, GAS AND WATER UTILITIES (R
460.2501 - R 460.2582)
http://w3.lara.state.mi.us/orrsearch/836_10802_AdminCode.pdf
- B14. UNIFORM SYSTEM OF ACCOUNTS FOR MAJOR AND NONMAJOR ELECTRIC
UTILITIES (R 460.9001 – R 460.9019)
http://w3.lara.state.mi.us/orrsearch/108_12_AdminCode.pdf
- B15. RATE CASE FILING REQUIREMENTS FOR MAJOR ELECTRIC UTILITIES
http://www.cis.state.mi.us/mpsc/orders/archive/pdfs/U-4771_05-10-1976.PDF

**SECTION C
STANDARD RULES AND REGULATIONS
(FOR ALL MEMBER-CONSUMERS)**

SECTION I - INTRODUCTION

A. These rules and regulations set forth the terms and conditions under which electric service will be provided by the Cooperative. They shall apply to all classes of service and shall govern the terms of all contracts for such service except that the Cooperative reserves the right to enter into special contracts subject to the general regulations of the Board of Directors. Failure of the Cooperative to enforce any of the terms of these rules and regulations shall not be deemed as a waiver of the right to do so.

B. Any promises or agreements made by agents or employees of the Cooperative which are not in conformance with these rules and regulations, nor with the terms of special contracts executed by authorized representatives of the Cooperative shall not have binding effect on the Cooperative.

C. No ownership rights in any facilities provided by the Cooperative shall pass to any person as a result of any contributions or deposit made under these rules. No deposits or contributions made by Member-Consumers shall be refundable unless expressly so provided in these rules.

D. Copies of the Cooperative's Rules and Regulations and Rate Schedules for electric service are open to public inspection at the Cooperative's offices and are available upon request.

SECTION II - TERMS AND CONDITIONS OF SERVICE

A. Membership and Electrical Service

Each Applicant for electric service may be required to sign the Cooperative's "Application for Membership and For Electric Service." Acceptance of service, with or without a signed application, shall be subject to compliance with the terms of the Standard Rules and Regulations and Rate Schedules as directed by the Board.

B. Ownership and Responsibility

1. Cooperative Owned Facilities - The Cooperative will normally install, own, operate and maintain all distribution facilities on the supply side of the point of attachment as shown on the Cooperative's Standard Drawings, including metering equipment. All service entrance conductor wiring from a point of connection to the Cooperative's service line at

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SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

a location satisfactory to the Cooperative shall be the responsibility of the Member-Consumer. If building modifications hinder access to metering facilities, create a hazardous condition, or cause a violation of code, the Member-Consumer will be responsible for all costs incurred by the Cooperative to correct these conditions.

- a. Access to Premises - The Member-Consumer shall provide at no expense to the Cooperative suitable space with provisions for installation and maintenance of the Cooperative's facilities on the Member-Consumer's premises. Authorized agents of the Cooperative shall have access to the premises at all reasonable times for construction, operation, maintenance, removal or inspection of the Cooperative's facilities or measure the Member-Consumer's load. Authorized employees and agents shall carry identification furnished by the Cooperative and shall display it upon request. Failure to provide access for any of the above reasons may result in termination of service.
- b. Use of Facilities - The Cooperative will not allow use of its poles or other facilities by others for installations or attachments of any kind without written authorization from the Cooperative. This includes, but is not limited to, electrical or communication equipment, lights, signs and fences. The Cooperative assumes no liability for property owned by others attached to its facilities. Unauthorized attachments to Cooperative facilities may be removed by the Cooperative.
- c. Protection - The Member-Consumer shall use reasonable diligence to protect the Cooperative's facilities located on the Member-Consumer's premises, and to prevent tampering or interference with such facilities. The Cooperative may, immediately and without notice, discontinue service in any case where the meter or wiring on the Member-Consumer's premises has been tampered with or altered in any manner to allow unmetered or improperly metered energy to be used. In case of such unauthorized use of service, the Cooperative will continue service only after the Member-Consumer has agreed to pay for the unmetered energy used, pay all costs of discovery and investigation including rewards for discovery, and make provisions and pay charges for an outdoor meter installation or other metering charges as may be required by the Cooperative. Failure to enter into such an agreement or failure to comply with the terms of such an agreement shall be cause to discontinue service in accordance with any applicable rules of the Cooperative. Restoration of service will be made upon

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SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

receipt of reasonable assurance of the Member-Consumer's compliance with the Cooperative's approved Standard Rules and Regulations.

2. Member-Consumer Owned Facilities - The Cooperative reserves the right to deny or terminate service to the Member-Consumer whose wiring or equipment shall constitute a hazard to the Cooperative's equipment or its service to others. However, it disclaims any responsibility to inspect the Member-Consumer's wiring, equipment or any subsequent wiring changes or modifications and shall not be held liable for any injury or damage or billing errors resulting from the condition thereof.
 - a. The Member-Consumer shall be responsible for inadequate performance of such facilities. Before purchasing equipment or installing wiring, it shall be the Member-Consumer's responsibility to check with the Cooperative as to the characteristics of the service available. Any changes required to bring Member-Consumer's service into compliance with code will be paid for by Member-Consumer. The Cooperative reserves the right to make reasonable service charges for work performed by Cooperative personnel resulting from malfunction of the Member-Consumer's facilities.
 - b. The Member-Consumer shall be responsible for notifying the Cooperative of any additions to or changes in the Member-Consumer's equipment which might exceed the capacity of the Cooperative's facilities, or otherwise affect the quality of service. The Member-Consumer shall also be responsible for the installation of auxiliary or standby equipment and of alarms and protective devices as required to provide reasonable protection in the event of disturbance or interruption of electrical service. The Member-Consumer shall install and maintain the necessary devices to protect the Member-Consumer's equipment against service interruptions and other disturbances on the Cooperative's system, as well as the necessary devices to protect the Cooperative's facilities against overload caused by the Member-Consumer's equipment. Characteristics and installation of all such equipment or devices shall meet the approval of the Cooperative.

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SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

C. Use Of Service

Each Member-Consumer shall, as soon as electrical service becomes available, purchase from the Cooperative practically all electric energy used on the premises, and shall become liable for all charges incurred in the purchase of said electrical energy from the Cooperative. Standby and/or supplemental on-site generation may be utilized only if approved by the Cooperative and properly connected so as to prevent parallel operations with the Cooperative's system.

1. Notice of Intent

- a. Application - Prior to use of electric service, each Member-Consumer shall make proper application to the Cooperative, and shall furnish all reasonable information required by the Cooperative. Failure to comply with this requirement may result in refusal by the Cooperative to provide service.

Any Member-Consumer using service without first notifying and enabling the Cooperative to establish a beginning meter reading may be held responsible for any amounts due for service supplied to the premises from time of last reading reported immediately preceding the Member-Consumer's occupancy.

- b. Termination - Any customer desiring termination of service shall so notify the Cooperative a minimum of five (5) working days in advance so the service may be discontinued on a mutually agreeable date. Member-Consumers failing to give proper notice of intent to vacate the premises may be held responsible for use of service, until a meter reading acceptable to the Cooperative is obtained.

2. Conditions of Use - The Member-Consumer shall not use the service in any way that causes a safety hazard, endangers the Cooperative's facilities, or disturbs service to other Member-Consumers. Failure to comply with this provision may result in discontinuance of the Member-Consumer's service.

Member-Consumers shall install only such motors or other apparatus or appliances as are suitable for operation with the character of the service supplied by the Cooperative, and electric energy must not be used in such a manner as to cause detrimental voltage fluctuations or disturbances in the Cooperative's distribution system.

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SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

3. Nonstandard Service - Member-Consumers shall be liable for the cost of any special installation necessary to meet particular requirements for service at other than standard voltages or for the supply of closer voltage regulation than required by standard practice.

The usual supply of electric service shall be subject to the provision of MPSC rules, but where special service-supply conditions or problems arise for which provision is not otherwise made, the Cooperative may modify or adapt its supply terms to meet the peculiar requirements of such case.

The Cooperative reserves the right to make special contractual arrangements as to the provision of necessary service facilities, duration of contract, minimum bills, or other service conditions with respect to customers whose establishments are remote from the Cooperative's existing suitable facilities, or whose service requirements exceed the capabilities of the Cooperative system in the area, or otherwise necessitate unusual investments by the Cooperative in service facilities or where the permanence of the service is questionable.

4. Resale of Electric Energy - Member-Consumers shall not resell to, or share with others, any electric service furnished by the Cooperative under the terms of its filed rate schedules not applicable to such resale of energy, unless otherwise authorized by the Board of Directors.
5. Service to Single Metering Points - Where resale of electric service exists, the Cooperative will be under no obligation to furnish or maintain meters or other facilities for the resale of service by the reselling Member-Consumer of the ultimate user.

Electric service will no longer be granted where connection is made to a single metering point for the purpose of resale to the reselling Member-Consumer's ultimate user. Each user will be metered as an individual unit. For the purposes of this rule, resale will also include sales where the electric service is included in the rent.

6. Point of Attachment - Where suitable service is available, the Cooperative will install service connections from its distribution lines to a suitable point of attachment on the Member-Consumer's premises designated by the Cooperative. Where the Member-Consumer requests a point of attachment other than that specified by the Cooperative, and such alternative point of attachment is approved by the Cooperative, the cost of

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SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

installing additional intermediate supports, wires or fixtures necessary to reach the point of attachment requested by the Member-Consumer, shall be borne by the Member-Consumer.

Should it become necessary for any cause beyond the Cooperative's control to change the location of the point of attachment of service connections, the entire cost of any changes in the Member-Consumer's wiring made necessary thereby shall be borne by the Member-Consumer.

A service connection will not be made unless the Member-Consumer has installed the Member-Consumer's service entrance facilities in compliance with code requirements and specifications set forth by the Cooperative.

The Member-Consumer may be required to provide at no expense to the Cooperative space for Cooperative facilities on the Member-Consumer's premises.

For overhead service, the location of the point of attachment must be such that the Cooperative's service conductors can be installed without attachment to the building in any other locations.

For underground service, the point of attachment may be on the building, meter pedestal, or other agreed point.

Service will be provided to meter poles for farm service or other service where more than one structure is to be supplied from a single meter. The Member-Consumer shall be required to install a fused disconnect switch on the pole at the Member-Consumer's own expense in accordance with Cooperative specifications.

7. Service to House Trailers, Vans, Buses, Used as Dwelling Units – The Cooperative will make service connection to house trailers, vans, buses, or any other dwelling of a mobile nature without special charges, except as specified herein under Section III, when the Member-Consumer owns the premises and has installed an approved septic tank and well for the Member-Consumer's own use.

If the above conditions are not met, such installation and service facilities shall be considered to be Temporary Service as applicable under Section III, B, 3.

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SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

D. Nature and Quality of Service

The Cooperative will endeavor to, but does not guarantee to furnish a continuous supply of electric energy and to maintain voltage and frequency within reasonable limits.

The Cooperative shall not be liable for interruptions in the service, phase failure or reversal, or variations in the service characteristics, or for any loss or damage of any kind or character occasioned thereby, due to causes or conditions beyond the Cooperative's control, and such causes or conditions shall be deemed to specifically include, but not limited to, the following: acts or omissions of Member-Consumers or third parties; operation of safety devices, except when such operation is caused by the negligence of the Cooperative, absence of an alternate supply of service; failure, malfunction, breakage, necessary repairs or inspection of machinery, facilities or equipment when the Cooperative has carried on a program of maintenance consistent with the general practices prevailing in the industry; act of God; war; action of the elements; storm or flood; fire; riot; labor dispute or disturbances; or the exercise of authority or regulation by governmental or military authorities.

The Member-Consumer shall be responsible for giving immediate notice to the Cooperative of interruptions or variations in electric service so that appropriate corrective action can be taken.

The Cooperative reserves the right to temporarily interrupt service for construction, repairs, emergency operations, shortages in power supply, safety, and State or National emergencies and shall be under no liability with respect to any such interruption, curtailment or suspension.

E. Metering and Metering Equipment

The Member-Consumer shall provide, free of expense to the Cooperative and close to the point of service entrance, a space suitable to the Cooperative for the installation of the necessary equipment. The Member-Consumer shall permit only authorized agents of the Cooperative or other persons lawfully authorized to do so; to inspect, test or remove the same. If the meters or metering equipment are damaged or destroyed through the neglect of the Member-Consumer, the cost of necessary repairs or replacements shall be paid by the Member-Consumer.

The Cooperative reserves the right to make final decision with respect to methods and equipment used in measurement of loads for billing purposes.

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SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

1. **Meter Testing** - All testing of metering equipment will be done by qualified personnel, either Cooperative employees or independent agents meeting the requirements of both the Cooperative. The Cooperative may, at its option, either conduct field tests on the Member-Consumer's premises, or remove metering equipment for shop testing.
 - a. **Routine Tests** - The Cooperative will, through test procedures established by the Commission, endeavor to maintain its metering equipment within the accuracy limits prescribed by the Commission.
 - b. **Tests Requested by Member-Consumer** - Tests of individual meters will be made upon request of the Member-Consumer, with payment of a meter test fee in advance of test. The Cooperative reserves the right to refuse to test any meter upon request more frequently than once in six (6) months. If such test reveals meter registration of more than 102% of that of the test equipment, the charge will be refunded and a billing adjustment made. If meter accuracy is found to be within the plus or minus two percent (2%) accuracy range, the charge will not be refunded and a billing adjustment will not be required. When it appears that there may be sufficient reason to question meter accuracy (for example, a marked increase in metered consumption without a corresponding change in a Member-Consumer's living or working patterns or in the number and kind of appliances or equipment in use on the Member-Consumer's premises), the Cooperative may waive the meter test charge or it may install a second meter, at no charge to the Member-Consumer, to provide check readings.
 - c. **Failure to Register** - When a meter has stopped, or has failed to register all of the energy used, the Cooperative will make a charge to the customer for the energy estimated to have been used.
2. **Location of Meters** - Meters for all single family residential service will be installed outdoors. Meters for other services may be installed outdoors if they are located so they are protected from traffic and are readily accessible for reading and testing. Meters which must be protected from inclement weather while being serviced or tested shall be located indoors or in a suitable housing where such work can be performed.

Meters located indoors shall be as near as possible to the service entrance, in a clean, dry place, reasonably secure from injury, not subject to vibration, and readily accessible for reading and testing.

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(Continued from Sheet No. C-8.00)

SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

In cases of multiple buildings such as two-family flats or apartment buildings, if the meters are installed indoors, they shall be located within the premises served or at a common location readily accessible to the tenants and the Cooperative.

An authorized representative of the Cooperative will determine the acceptability of the meter location in all cases.

A. Special Charges

The Cooperative will make such charges for reasonable special services as necessary to discourage abuse, and to prevent subsidy of such services by other Member-Consumers. The following schedule shall apply where applicable:

Charge for any Special Service at Member-Consumer's Request	\$100.00 per hour
Meter Reading Charge	\$0.00
Meter Test Charge	\$100.00
Reconnect Charge at Meter After Discontinuation of Service to Same Customer	
During Regular Working Hours	\$50.00
Outside Regular Working Hours	\$100.00
Reconnect Charge at Pole After Discontinuation of Service to Same Customer	
During Regular Working Hours	\$35.00
Outside Regular Working Hours	\$75.00
Collection Charge When Nonpayment Disconnect Order is Written	\$25.00
Bad Check Handling Charge	\$25.00
Connections Outside Regular Working Hours	\$75.00
Disconnect Trip Fee	\$50.00

(Continued on Sheet No. C-10.00)

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General Manager
Ontonagon, Michigan

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(Continued from Sheet No. C-9.00)

SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

G. Other Conditions of Service

1. Service Disconnect - Service to the Member-Consumer's premises may be disconnected by the Cooperative under the following conditions:
 - a. At Member-Consumer's Request
 - (1) Upon Termination - The Cooperative will disconnect service with no charge to the Member-Consumer upon due notice as provided elsewhere in these rules. However, if restoration of service at the same location is requested by the same Member-Consumer or property owner(s), a reconnect charge will be applied. The reconnect charge will be increased by the amount of the minimum charge in the applicable rate schedule for the months service was disconnected, provided such reconnect is made during the twelve (12) month period immediately following disconnect.
 - (2) For Repairs - The Cooperative will temporarily disconnect service to facilitate repairs or other work on the Member-Consumer's equipment or premises. Special service charges as set forth in Section II, F, will be applicable.
 - b. At Cooperative's Option - Commercial and Industrial
(Also see Rule II, D)
 - (1) With Due Notice - The Cooperative may disconnect service upon due notice for any of the following reasons.
 - (a) For violation of these rules and regulations.
 - (b) For failure to fulfill contractual obligations.
 - (c) For failure to provide reasonable access to the Member-Consumer's premises.
 - (d) For failure to pay any bill within the established collection period.
 - (e) For failure to provide deposits as provided elsewhere in these rules.
 - (f) Upon notice from governmental inspection authorities of condemnation of the Member-Consumer's facilities or premises.
 - (g) For fraudulent representation as to the use of service.

(Continued on Sheet No. C-11.00)

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By: Debbie Miles
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(Continued from Sheet No. C-10.00)

SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

- (2) Without Notice - The Cooperative reserves the right to disconnect service without notice for any of the following reasons:
- (a) Where hazardous conditions exists in the Member-Consumer's facilities.
 - (b) Where the Member-Consumer's use of service adversely affects the Cooperative's facilities or service to other Member-Consumers.
 - (c) For unauthorized reconnection after disconnection with due notice.
 - (d) For unauthorized use of or tampering with the Cooperative's service or facilities.
- (3) Reconnect - After service has been discontinued at the Cooperative's option for any of the above reasons, service will be reconnected only after the Member-Consumer has taken necessary corrective action and made satisfactory arrangements for payment of all fees and charges, including any applicable reconnect fees and deposits to guarantee payment for service.
2. Rate Application - The rates specified in this schedule are predicated upon the delivery of each class of service to a single metering point for the total requirements of each separate premises of the Member-Consumer, unless otherwise provided for in these rules and regulations. In no case may service be shared with another or transmitted off the premises at which it is delivered. Service at different points and at different premises shall be separately metered and separately billed.
- a. Selection of Rates - In some cases the Member-Consumer is eligible to take service under any one or two or more rates. Upon request, the Cooperative will advise the Member-Consumer in the selection of the rate which will give him the lowest cost of service, based on the information provided to the Cooperative, but the responsibility for the selection of the rate lies with the Member-Consumer.

(Continued on Sheet No. C-12.00)

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(Continued from Sheet No. C-11.00)

SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

After the Member-Consumer has selected the rate under which the Member-Consumer elects to take service, the Member-Consumer will not be permitted to change from that rate to another rate until at least twelve months have elapsed. Neither will the Member-Consumer be permitted to evade this rule by temporarily terminating service. However, the Cooperative may, at its option, waive the provisions of this paragraph where it appears that an earlier change is requested for permanent rather than for temporary or seasonal advantage.

The intent of this rule is to prohibit frequent shifts from rate to rate.

No refund will be made of the difference in charges under different rates applicable to the same class of service.

- b. Apartment Buildings and Multiple Dwellings - An apartment building or multiple dwelling shall be considered as one containing nine or more rooms in which single rooms, suites or groups of rooms have individual cooking and kitchen sink accommodations. Service supplied through a single meter to an apartment building or multiple dwelling containing less than three apartments may be billed on the residential service rate on a single customer basis. Service supplied through a single meter to an apartment building or multiple dwelling containing three or more apartments shall be billed in accordance with the following provisions:
- (1) Apartment Buildings or Multiple Dwellings Containing Three or Four Apartments - The Member-Consumer may have the option of being billed under either the Residential Service Rate, or the appropriate Commercial Small Power Rate or Large Power Rate. For the purpose of billing under the Residential Service Rate, the service charge, shall be multiplied by the number of apartments served through one meter.
 - (2) Apartment Buildings or Multiple Dwellings Containing Five or More Apartments - The Member-Consumer shall be billed under the appropriate Commercial Small Power or Large Power Rate.
 - (3) "Master Metering" will be limited to existing customers.

(Continued on Sheet No. C-13.00)

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(Continued from Sheet No. C-12.00)

SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

- c. Homes or Dormitories for Groups Other Than Private Family Units - Service supplied through a single meter to rooming houses, dormitories, nurses' homes, and other similarly occupied buildings containing sleeping accommodations for more than six persons shall be classified as commercial and billed on the appropriate service rate.
 - d. Farm Service - Single phase service shall be available to farms for residential use under the Residential Service Rate, and in addition service may be used through the same meter for any purpose as long as such case is confined to single phase service for the culture, processing and handling of products grown or used on the Member-Consumer's farm. Use of service for purposes other than set forth above shall be served and billed on the appropriate General Service Rate.
 - e. Year Round Service - Service to Member-Consumer at the address shown on the Member-Consumer's driver's license and voter's registration card.
 - f. Seasonal Service - Service to Member-Consumers other than to year-round customers.
3. Deposits - Commercial and Industrial
- a. Amount of the deposit will be limited to two (2) times the Member-Consumer's estimated maximum bill.
 - b. Deposits will be refunded when the Member-Consumer has established a satisfactory credit rating with the Cooperative. Payment on time of bills for utility service for two (2) years shall be evidence of satisfactory credit.
 - c. The Cooperative may require a new or increased deposit from an existing Member-Consumer when it determines that the Member-Consumer's credit rating with the Cooperative has become unsatisfactory.
 - d. Failure to make the required deposit as a condition to receiving service shall constitute grounds for discontinuance of service.
 - e. Deposits with accrued interest shall be refunded or credited to the final bill after discontinuance of service.

(Continued on Sheet No. C-14.00)

(Continued from Sheet No. C-13.00)

SECTION II - TERMS AND CONDITIONS OF SERVICE (Contd)

SECTION III - CONSTRUCTION POLICY

A. General Information

This section of the Rules and Regulations sets forth the terms and conditions under which the Cooperative will construct and extend its facilities to serve new loads and replace, relocate or otherwise modify its facilities.

Contributions in aid of construction and other deposits made with the Cooperative under the provisions of this Section shall be considered nonrefundable, except where provisions for refunds are specifically stated.

No refunds will be made in excess of the refundable amount deposited and deposits shall not bear interest. Refunds, where applicable, will be made in accordance with the terms stated hereinafter.

Each distribution line extension shall be a separate, distinct unit and any further extension therefrom shall have no effect upon the agreements under which such extension is constructed.

All construction of extensions shall conform to the Cooperative's standards as well as national, state and local electrical codes.

B. Extension Policy: Overhead and Underground Facilities

Additional requirements for underground facilities set forth in Section III, C, Sheet Number C-18.00.

1. Residential Service

- a. Charges - For each permanent year-around dwelling, the Cooperative's extension charges will be as follows:

(Continued on Sheet No. C-15.00)

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(Continued from Sheet No. C-14.00)

SECTION III – CONSTRUCTION POLICY (Contd)

Overhead Services:

Connect charge	\$300.00
Extension charge	\$ 6.00/foot
Meter pole (25 foot)	\$120.00

* Based on Cooperative's cost of 25 foot pole.

Underground Service:

Connect charge	\$300.00
Extension charge (Secondary)	\$ 6.00/foot
Extension charge (Primary)	\$ 8.00/foot
Riser pole charge (Secondary)	\$125.00
Riser pole charge (Primary)	\$300.00
URD Junction Box	\$250.00

The customer will be responsible to provide the trench for underground services. The minimum depth of the trench will be 30 inches.

For all services the customer will be responsible to provide a cleared right of way and easements. All service entrances, including temporary entrances, will have to be inspected by the local electrical inspector.

- b. Measurement - The length of any main line distribution feeder extension will be measured along the route of the extension from the Cooperative's nearest facilities from which the extension can be made to the Member-Consumer's property line. The length of any lateral extension on the Member-Consumer's property shall be measured from the Member-Consumer's property line to the service pole. Should the Cooperative for its own reasons choose a longer route, the applicant will not be charged for the additional distance; however, if the Member-Consumer requests special routing of the line, the Member-Consumer will be required to pay the extra cost resulting from the special routing.

(Continued on Sheet No. C-16.00)

(Continued from Sheet No. C-15.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- c. Refunds - During the five (5) year period immediately following the date of payment, the Member-Consumer who paid the extension charges pursuant to the provisions of Section III, B, 1, a, Sheet No. C-15.00, will obtain refund of \$500 for each permanent electric service subsequently connected directly to the facilities financed by the Member-Consumer. Any Member-Consumer subsequently connected directly to the facilities financed by the Member-Consumer who paid the extension charges pursuant to the provisions of Section III, B, 1, a, Sheet No. C-15.00, will fund and pay the \$500 refund required by the prior sentence. Directly connected Member-Consumers are those which do not require the construction of more than 300 feet of lateral primary distribution line. Such refunds will be made only to the original contributor. The total of refunds to the Member-Consumer who paid the extension charges pursuant to the provisions of Section III, B, 1, a, Sheet No. C-15.00, shall not exceed the refundable portion of the contribution.
2. Commercial, Industrial or Street Lighting Service
- a. Cooperative Financed Extensions - The Cooperative will finance the construction cost necessary to extend its facilities to serve commercial, industrial, or street lighting Member-Consumers, when such investment does not exceed two (2) times the estimated additional annual revenue anticipated to be collected from Member-Consumers or street lighting units initially served by the extension or installation.
 - b. Charges - When the estimated cost of construction of such facilities exceeds the Cooperative's maximum initial investment as defined in paragraph a above, the applicant shall be required to make a deposit in the entire amount of such excess construction costs. Owners or developers of mobile home parks shall be required to deposit the entire amount of the estimated cost of construction, subject to the refund provisions of Section III, B, 1, c above.
 - c. Refunds - The Cooperative will make refunds on deposits collected under the provisions of b above, in cases where actual experience shows that the electric revenues supplied by the Member-Consumer are sufficient to warrant a greater initial investment by the Cooperative. Such refunds shall be computed as follows:

(Continued on Sheet No. C-17.00)

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(Continued from Sheet No. C-16.00)

SECTION III – CONSTRUCTION POLICY (Contd)

(1) Original Member-Consumer

At the end of the first complete twelve (12) month period immediately following the date of initial service, the Cooperative will compute a revised initial investment based on two (2) times the actual revenue provided by the original Member-Consumer(s) in the twelve (12) month period. Any amount by which twice the actual annual revenue exceeds the Cooperative's initial investment will be made available for refund to the Member-Consumer, no such refund shall exceed the amount deposited under provisions of Section III, B, 1, b, Sheet No. C-16.00.

(2) Additional New Member-Consumers

Refunds for additional new Member-Consumers directly connected to the financial ex-tension during the refund period will be governed by Section III, B, 1, c, Sheet No. C-16.00.

3. Service Extensions to Loads of Questionable Permanence

When service is requested for loads of questionable permanence such as, but not limited to, saw mills, mixer plants, gravel pits, oil wells, oil facilities, etc., the Cooperative will install, own, operate and maintain all distribution facilities up to the point of attachment to the Member-Consumer's service equipment subject to the following:

- a. Charges - Prior to commencement of construction, the Member-Consumer shall make a deposit with the Cooperative in the amount of the Cooperative's estimated construction and removal costs less salvage. Such estimates shall include the cost of extending the Cooperative distribution facilities and increasing capacity of its existing facilities to serve the Member-Consumer's load.
- b. Refunds - At the end of the each year the Cooperative will make a refund on the amount deposited from revenues derived from the Member-Consumer for electric service from the facilities covered by the deposit. The amount of such refund for any given year or part thereof shall be computed as follows:

(Continued on Sheet No. C-18.00)

(Continued from Sheet No. C-17.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- (1) Year-to-year for the first four years of the deposit period.
 - (a) Twenty percent (20%) of the deposit if this amount is equal to or less than 20% of the new annual revenue, excluding fuel adjustment and sales tax revenues.
 - (b) Twenty percent (20%) of the new annual revenue excluding fuel adjustment and sales tax revenues if this amount is less than 20% of the deposit.
- (2) The final year of the five-year refund period.
 - (a) If at the end of the five-year period the total revenue for that period, excluding fuel adjustment and sales tax revenues, is equal to or greater than five (5) times the original deposit, the balance of the deposit will be refunded.
 - (b) If at the end of the five-year period the total revenue, excluding fuel adjustment and sales tax revenues, is less than five (5) times the original deposit, the refund for the fifth year will be applied in accordance with (1a) or (2a) above.

No refund is to be made in excess of the deposit and the deposit shall bear no interest.

C. Underground Service Policy

1. General

This portion of the rules provides for the extension and/or replacement of underground electric distribution facilities.

The Cooperative, at the request of the developer, will install an underground electric distribution system for all new residential subdivisions, mobile home parks, multiple occupancy building complexes and commercial subdivisions in cooperation with the developer or owner, evidenced by a signed agreement and in compliance with the following specific conditions:

(Continued on Sheet No. C-19.00)

(Continued from Sheet No. C-18.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- a. The developer or owners must provide for recorded easements or rights-of-way acceptable to the Cooperative. The easements are to be coordinated with other utilities and will include easements for street lighting cable.
- b. The developer or owner must provide for grading the easement to finished grade or for clearing the easement of trees, large stumps and obstructions sufficiently to allow trenching equipment to operate. Survey stakes indicating easements, lot lines and grade must be in place. The developer or owner must certify to the Cooperative that the easements are graded to within four (4) inches of final grade before the underground distribution facilities are installed.
- c. The developer or owner requesting underground construction must make a nonrefundable contribution to the Cooperative for primary switching cabinets. When a switching cabinet is required exclusively for one Member-Consumer, that Member-Consumer will contribute the actual installed cost of the switching cabinet. When more than one Member-Consumer is served from the switching cabinet, each Member-Consumer's contribution will be prorated to the total installed cost of the switching cabinet based on the number of positions required for each Member-Consumer.
- d. If trenching is required where practical difficulties exist, such as in rock or in sodden ground or when boring under streets, driveways, patios or any other paved areas, the contribution in aid of construction shall be an amount equal to the total construction costs.
- e. The developer or owner will be responsible for any costs of relocating Cooperative facilities to accommodate changes in grade or other changes after underground equipment is installed, and also be responsible for any damage to Cooperative facilities caused by the Member-Consumer's operations or the operations of the Member-Consumer's contractors. An amount equal to the total costs involved, including overheads, is required for relocation or rearrangement of facilities, whether specifically requested by the developer or owner or due to the facilities becoming endangered by a change in grade.

(Continued on Sheet No. C-20.00)

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(Continued from Sheet No. C-19.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- f. An additional amount equal to the actual cost per foot will be charged for practical difficulties associated with winter construction in the period from November 15 to April 30, inclusive. This charge will not apply to jobs which are ready for construction and for which the construction meeting has been held prior to September 30.

2. Residential Service

If underground is requested, these provisions will apply to permanent dwellings. Mobile homes will be considered permanent dwellings when meeting the Cooperative's requirements for permanent installations.

a. New Platted Subdivisions

Distribution facilities in all new residential subdivisions and existing residential subdivisions in which electric distribution facilities have not already been constructed shall be placed underground, except that a lot facing a previously existing street or county road and having an existing overhead distribution line on its side of the street or county road shall be served with an underground service from these facilities and shall be considered a part of the underground service area.

- (1) Distribution System - The Cooperative shall install an underground distribution system, including primary and secondary cable and all associated equipment, to provide service to the lot line of each lot in the subdivision.

For purposes of definition, all one-family and two-family buildings on individual lots are residential. The Cooperative will furnish, install, own and maintain the entire underground electric distribution system including the service lateral cables for new residential subdivisions. The trenches for primary or secondary main cable will be occupied jointly by facilities of the Cooperative and other utilities where satisfactory agreement for reimbursement exists between the Cooperative and other utilities.

(Continued on Sheet No. C-21.00)

(Continued from Sheet No. C-20.00)

SECTION III – CONSTRUCTION POLICY (Contd)

The service normally available from the system will be at secondary voltage, single-phase, three-wire, 60 hertz. Three-phase service will be made available for schools, pumping stations, and other special installations only under terms of a separate agreement. Certain related equipment, such as pad-mounted transformers, switching equipment and service pedestals may be above grade. The area must be suitable for the direct burial installations of cable.

The use of the lot front foot measurements in these rules shall not be construed to require that the underground electric distribution system be placed at the front of the lot.

Where sewer and/or water lines will parallel Cooperative cables, taps must be extended into each lot for a distance of four (4) feet beyond the route of the cables prior to installation of the cables.

The property owner shall not make any changes in established grade in or near the easement that will interfere with utility facilities already installed. In the event the property owner requests relocation of facilities, or such facilities are endangered by change in grade, the property owner shall pay the cost of the relocation or rearrangement of the facilities.

- (a) Charges - Prior to commencement of construction, the owner or developer shall deposit with the Cooperative an amount equal to the estimated cost of construction of the distribution system.
- (b) Refunds - Following completion of its construction work order covering construction of the distribution system, the Cooperative will refund any amount by which its original estimate exceeds the actual construction costs.

(Continued on Sheet No. C-22.00)

(Continued from Sheet No. C-21.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- (c) Measurement - The front foot measurement of each lot to be served by a residential underground distribution system shall be made along the contour of the front lot line. The front lot line is that line which usually borders on or is adjacent to a street. However, when streets border on more than one side of a lot, the shortest distance shall be used. In case of a curved lot line which borders on a street or streets and represents at least two sides of the lot, the front foot measurement shall be considered as one-half the total measurement of the curved lot line. The use of the lot front foot measurement in these rules shall not be construed to require that the underground electric distribution facilities be placed at the front of the lot.
- (2) Service Laterals - The Cooperative will install, own, operate and maintain an underground service lateral from termination of its facilities at the property line to a metering point on each new residence in the subdivision. Extension charges will be collected under the provisions of Section III, B, 1, a, Sheet No. C-14.00.
 - (a) Deposit Required - The applicant will be required to make a non-refundable deposit for the entire amount of excess construction costs.
 - (b) Measurement - The “trench feet” shall be determined by measuring from the termination of Cooperative facilities at the property line along the route of the trench to a point directly beneath the electric meter.
- b. Other Residential - Underground Facilities
 - (a) At the option of the applicant(s), the Cooperative will provide underground facilities from existing overhead facilities in unplatted areas or in subdivisions where overhead electric distribution facilities have been installed.

(Continued on Sheet No. C-23.00)

(Continued from Sheet No. C-22.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- (b) The Cooperative reserves the right to refuse to install its facilities underground in cases where, in the Cooperative’s opinion, such construction would be impractical or present a potential detriment to the service to other Member-Consumers. The Cooperative may designate portions of existing subdivisions as “underground service areas” where, in the Cooperative’s opinion, such designation would be desirable for aesthetic or technical reasons. All future applicants for service in areas so designated will be provided with underground service subject to the applicable provisions of these rules.

c. Extension of Existing Distribution Systems in Platted Subdivisions

Any such extension shall be considered a distinct, separate unit, and any subsequent extensions therefrom shall be treated separately.

- (1) Charges - Charges will be in accordance with charges as set forth in Section III, B, 1, a, Sheet No. C-14.00.
- (2) Refunds - The Cooperative will make available for refund to the original depositor from amounts contributed in aid of construction by subsequent applicants as provided in paragraph c(1) above the amount included in the original deposit to cover the front footage of the lot(s) owned by the subsequent applicant(s). The total amount refunded shall not exceed the amount of the original deposit, and will be made only to the original depositor. The Cooperative will endeavor to maintain records for such purposes but the depositor is ultimately responsible to duly notify the Cooperative of refunds due; any refund not claimed within five (5) years after completion of construction shall be forfeited. Refunds made under the provisions of this paragraph shall be in addition to refunds made under the Cooperative’s overhead extension policy.

(Continued on Sheet No. C-24.00)

(Continued from Sheet No. C-23.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- (3) Measurement - The lot front footage used in computing charges and contributions in paragraph (1) above shall be measured the same as for new subdivisions as set forth in Section III, C, 2, a, (1), (c), Sheet No. C-22.00. The front footage used in determining the amount of the original deposit or any refunds of subsequent contributions shall include only the frontage of lots directly served by the distribution system extension covered by the original deposit.

d. Distribution Systems in Unplatted Areas

- (1) The Cooperative will extend its primary or secondary distribution system from existing overhead or underground facilities. When any such extension is made from an existing overhead system, the property owner may be required to provide an easement(s) for extension of the overhead system to a pole on the Member-Consumer's property where transition from overhead to underground can be made.

- (a) Contribution - Prior to commencement of construction, the applicant shall make a contribution in aid of construction as set forth in Section III, B, 1, a, Sheet No. C-15.00. Refunds will be based on the refund policy as set forth in Section III, B, 1, c, Sheet No. C-16.00.

e. Service Laterals

- (1) The Cooperative will install, own, operate and maintain an underground service lateral from the termination of its primary or secondary system to a metering point on each new residence to be served. Such underground service laterals may be served either from an underground or overhead system. Extension charges will be collected under the provisions of Section III, B, 1, a, Sheet No. C-15.00

- (a) Deposit Required - The applicant will be required to make a non-refundable deposit for the entire amount of excess construction costs.

(Continued on Sheet No. C-25.00)

(Continued from Sheet No. C-24.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- (b) Measurement - The “trench length” shall be determined by measuring from the pole or underground secondary terminal to which the service lateral is connected along the route of the lateral trench to a point directly beneath the electric meter.

3. Non-Residential Service

- a. Commercial Service - Distribution facilities in the vicinity of new commercial loads and built solely to serve such loads will be placed underground (optional for companies serving the Upper Peninsula). This includes service to all buildings used primarily for business purposes, where the major activity is the sale of goods or services at wholesale or retail. This category shall include, but not be limited to, apartment houses, motels and shopping centers.

It shall not be mandatory that any new commercial or industrial distribution systems or service connections be placed underground where, in the Cooperative’s judgment, any of the following conditions exist:

Such facilities would serve commercial or industrial Member-Consumers having loads of temporary duration; or

Such facilities would serve commercial or industrial Member-Consumers in areas where little aesthetic improvement would be realized if such facilities were placed underground; or

Such facilities would serve commercial or industrial Member-Consumers in areas where it is impractical to design and place such facilities underground, because of uncertainty of the size and character of the loads to be ultimately served therefrom.

The Cooperative will furnish, install, own and maintain the entire underground electric distribution system including the service lateral cables for new commercial subdivisions. Generally, the trenches will be occupied jointly by facilities of the Cooperative and other utilities where satisfactory agreement for reimbursement exists between the Cooperative and the other utilities.

(Continued on Sheet No. C-26.00)

(Continued from Sheet No. C-25.00)

SECTION III – CONSTRUCTION POLICY (Contd)

The service for individual Member-Consumers within a commercial subdivision will be furnished as provided for in “underground service connections”. Certain related equipment, such as pad-mounted transformers, switching equipment and service pedestals, may be above grade.

In the event the developer(s), owner(s), Member-Consumer(s) or tenant(s) request relocation of facilities which are endangered by change in grade, the total cost of relocation or rearrangement of the facilities shall be borne by the requesting party(ies).

The Cooperative will install “underground service connections” to commercial and industrial Member-Consumers and other installations within designated underground districts in cooperation with the developer or owner, evidenced by a separate signed agreement, subject to the following specific conditions:

When required, the developer or owner must provide suitable space and the necessary foundations and/or vaults for equipment, and provide trenching, backfilling, conduits and manholes acceptable to the Cooperative, for installation of cables on the Member-Consumer’s property.

- (1) Contribution - Contributions will be in accordance with charges as set forth in Section III, B, 2, a, Sheet No. C-16.00.
- (2) Measurement - “Trench length” shall be determined by measuring along the centerline of the trench as follows:
 - (a) Primary Extensions - shall be measured along the route of the primary cable from the transition pole to each transformer or other primary termination.
 - (b) Secondary Extensions - shall be measured from each transformer or other secondary supply terminal along the route of the secondary cable to each secondary pedestal or termination. No charge will be made for secondary cable laid in the same trench with primary cable.

(Continued on Sheet No. C-27.00)

(Continued from Sheet No. C-26.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- (c) Service Laterals - shall be measured from the pole or underground secondary terminal to which the service lateral is connected along the route of the lateral trench to the point of connection to the Member-Consumer's facilities. No charge will be made for service laterals laid in the same trench with primary or secondary cable.
- b. Industrial Service - Distribution facilities in the vicinity of new industrial loads and built solely to serve such loads will be placed underground at the option of the applicant. This includes service to all buildings used primarily for the assembly, processing or manufacturing of goods.
 - (1) Contribution - Contributions will be in accordance with charges as set forth in Section III, B, 2, a, Sheet No. C-16.00.
- c. Mobile Home Parks - Distribution facilities in new mobile home parks shall be placed underground. Extension from existing overhead systems in mobile home parks will be placed underground at the option of the park owner.

The Cooperative will furnish, install, own and maintain the entire underground electric distribution system including the pre-meter portion of the service lateral cables for new mobile home parks. The trenches for primary or secondary main cables will be occupied jointly by facilities of the Cooperative and other utilities where satisfactory agreement for reimbursement exists between the Cooperative and the other utilities.

The service for tenant loads normally available from the system will be at secondary voltage, single-phase, 120/240 volt, three-wire, 60 hertz. Three-phase service will be made available for pumps and service installations only under terms of a separate agreement. Certain related equipment, such as pad-mounted transformers, switching equipment and service pedestals may be above grade. The area must be suitable for the direct burial installation of cable.

(Continued on Sheet No. C-28.00)

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By: Debbie Miles
General Manager
Ontonagon, Michigan

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(Continued from Sheet No. C-27.00)

SECTION III – CONSTRUCTION POLICY (Contd)

This service is limited to mobile home parks in which the service is metered by the Cooperative at secondary voltage.

Cooperative cables shall be separated by at least five feet from paralleling underground facilities which do not share the same trench. The park owner's cable systems, such as community antenna systems, should be in separate trenches, if possible. Subject to an agreement with the Cooperative, these cable systems may occupy the same trench. The park owner must agree to pay a share of the trenching cost plus the extra cost of the additional backfill, if required, and agree to notify the other using utilities when maintenance of the Member-Consumer's cables requires digging in the easement.

The park owner must provide for each mobile home lot a meter pedestal of a design acceptable to the Cooperative.

In the event the park owner requests relocation of facilities or such facilities are endangered by change in grade, the park owner shall pay the cost of the relocation or rearrangement of the facilities.

(1) Contribution - Contributions will be in accordance with charges as set forth in Section III, B, 1, a, Sheet No. C-15.00.

4. Other Conditions

- a. Obstacles to Construction - Where unusual construction costs are incurred by the Cooperative due to physical obstacles such as, but not limited to: rock, surface water, frost; other utility facilities; heavy concentration of tree roots; or roadway crossing, the applicant(s) shall make a nonrefundable contribution in aid-of-construction equal to the total construction cost. The Cooperative reserves the right to refuse to place its facilities under road or railroad rights-of-way in cases where, in the Cooperative's judgment, such construction is impractical.
- b. Contribution - Prior to commencement of construction, the applicant(s) shall make a contribution in aid-of-construction as required by the extension rules. Refunds will be based on the refund policy as stated in Section III, B, 2, c, Sheet No. C-16.00.

(Continued on Sheet No. C-29.00)

(Continued from Sheet No. C-28.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- c. Replacement of Overhead Facilities - Existing overhead electric distribution lines shall, at the request of applicant(s), be replaced with underground facilities where, in the opinion of the Cooperative, such replacement will not be detrimental to the electric service to other Member-Consumers.
- Before construction is started, the applicant(s) shall be required to pay the Cooperative the depreciated cost (net cost) of the existing overhead facilities, plus the cost of removal, less the value of materials salvaged, and also make a contribution in aid-of-construction toward the installation of underground facilities in an amount equal to the estimated cost of the underground facilities.
- d. Underground Installations for Cooperative Convenience - Where the Cooperative, for its own convenience, installs its facilities underground, the differential between estimated overhead construction costs and underground costs of such installation will be borne by the Cooperative. All other costs will be governed by the Cooperative's Extension Policy.
- e. Underground Extensions on Adjacent Lands - When a primary extension to serve an applicant or group of applicants must cross adjacent lands on which underground construction is required by the property owner (such as on state or federal lands) the applicant(s) shall make a contribution equal to the estimated difference in cost between the underground and equivalent overhead facilities. The Cooperative may establish a per foot charge to be considered the difference in cost. Such charge shall be adjusted from time to time to reflect the Cooperative's actual construction cost experience.
- f. Local Ordinances - The Cooperative reserves the right, where local ordinances requirements are more stringent than these rules, to adjust all fees and charges as may be necessary.
- g. Equipment Rental - Rental of electric utility equipment is available upon approval of the Cooperative. Monthly charges shall be 2.00% of the installed cost of the facilities, but shall in no case be less than \$1.00.

(Continued on Sheet No. C-30.00)

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(Continued from Sheet No. C-29.00)

SECTION III – CONSTRUCTION POLICY (Contd)

D. Miscellaneous General Construction Policy

Except where specifically designated as overhead or underground construction policies, the following general policies will be applied to either overhead or underground construction:

1. Easements and Permits

- a. New Residential Subdivisions - The developer of a new residential subdivision shall cause to be recorded with the plat of the subdivision a public utility easement approved by the Cooperative for the entire plat. Such easement shall include a legal description of areas within the plat which are dedicated for utility purposes, and also other restrictions as shall be determined by the Cooperative for construction, operation, maintenance and protection of its facilities.
- b. Other Easements and Permits - Where suitable easements do not exist, the Cooperative will provide the necessary easement forms and solicit their execution. The applicant(s), as a condition of service, will be ultimately responsible for obtaining all easements and permits as required by the Cooperative for construction, operation, maintenance and protection of the facilities to be constructed. Where state and federal lands are to be crossed to extend service to an applicant or group of applicants, the additional costs incurred by the Cooperative for rights-of-way and permit fees shall be borne by the applicant(s).

2. Temporary Service

Member-Consumers desiring temporary service for a short time only, such as for constructions jobs, traveling shows, outdoor or indoor entertainments or exhibitions, etc., shall pay the charge per Member-Consumer per month provided in applicable rate schedules. In addition, such Member-Consumer shall pay installation and removal charges as follows:

(Continued on Sheet No. C-31.00)

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(Continued from Sheet No. C-30.00)

SECTION III – CONSTRUCTION POLICY (Contd)

- a. When 120/240 volt single-phase service is desired and when such service can be provided at the site without exceeding 100 feet overhead or ten (10) feet underground at the time temporary service is desired, the charge for installation and removal of temporary, single-phase, three-wire, 120/240 volt service shall be:

For Temporary Overhead Service \$125.00

- b. When 120/240 volt single-phase service is desired and requires more than 100 feet overhead or ten (10) feet underground of extension, or if other than 120/240 volt single-phase service is desired, the charge for installation and removal shall be based on the cost thereof.

The Member-Consumer shall be required to deposit with the Cooperative in advance of construction an amount (in excess of any salvage realized) to cover the cost of installing and removing temporary facilities, plus the estimated cost of service under the terms of applicable rate schedules. Meters may be read daily and the deposit modified as the energy used may justify such modifications.

If service extends for a period in excess of six consecutive months, the Member-Consumer may qualify for another of the Cooperative's available rates, provided the Member-Consumer meets all of the applicable provisions of the filed tariffs.

E. Moving of Buildings or Equipment

When the Cooperative is requested to assist in the moving of buildings or equipment through, under or over the Cooperative's distribution lines, the Cooperative will require a deposit from the mover in advance of providing such assistance. The amount of the deposit required will be based upon the Cooperative's estimate of the probable cost, but in no event will the required deposit be less than \$100. Upon completion of moving assistance, the Cooperative will determine actual costs and will bill or credit the mover.

(Continued on Sheet No. C-32.00)

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Ontonagon, Michigan

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(Continued from Sheet No. C-31.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES

A. General

Emergency electrical procedures may be necessary if there is a shortage in the electrical energy supply to meet the demands of Member-Consumers in the electrical service area. It is recognized that such deficiencies can be short-term (a few hours) or long-term (more than a few hours) in duration; and, in view of the difference in nature between short- and long-term deficiencies, different and appropriate procedures shall be adopted for each.

Essential health and safety Member-Consumers given special consideration in these procedures shall, insofar as the situation permits, include the following types of Member-Consumers and such other Member-Consumers or types of Member-Consumers which the Commission may subsequently identify:

1. "Governmental Detention Institutions," which will be limited to those facilities used for the detention of persons.
2. "Fire Stations," which will be limited to attended, publicly-owned facilities housing mobile fire fighting apparatus.
3. "Hospitals," which will be limited to institutions providing medical care to patients and where surgical procedures are performed.
4. Life support equipment such as a kidney machine or respirator, used to sustain the life of a person.
5. "Water Pumping Plants," which will be limited to publicly-owned facilities essential to the supply of potable water to a community.
6. "Sewage Plants," which will be limited to publicly-owned facilities essential to the collection, treatment or disposal of a community's sewage.
7. Radio and television stations utilized for the transmittal of emergency messages and public information broadcasts related to these procedures.

Although these types of Member-Consumers will be given special consideration from the manual load shedding provisions of this procedure, they are encouraged to install emergency generation equipment if continuity of service is essential. It is known that some of the township fire departments in the more rural

(Continued on Sheet No. C-33.00)

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(Continued from Sheet No. C-32.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES (Contd)

parts of Michigan have portable generation equipment available. Maximum use should be made of these facilities. In the case of Member-Consumers supplied from two utility sources, only one source will be given special consideration. Other Member-Consumers who, in their opinion, have critical equipment or circumstances, should install emergency battery or portable generating equipment.

The Commission will be promptly advised of the nature, time and duration of all implemented emergency conditions and procedures which affect normal service to Member-Consumers. The Commission may order the implementation of additional procedures or the termination of the procedures previously employed when circumstances so require.

As may be appropriate in accordance with the nature of the occurring or anticipated emergency, the Cooperative will initiate the following procedures.

B. Sudden or Unanticipated Short-Term Capacity Shortage

In the event of a sudden decline of the frequency on the system or a sudden breakup which isolates all or parts of the system or power pool from other electric systems with which it is interconnected and which results in the area so isolated being deficient in electric generation, with consequent rapid decline in frequency:

1. Every effort will be made to maintain at least partial service to the system by means of predetermined load shedding of selected transmission and/or distribution circuits. The Cooperative will make every reasonable effort to provide continuous service to essential health and safety Member-Consumers.
2. With no substantial generation of its own and being to a great extent dependent on outside sources for energy, the Short-Term, Sudden, Unanticipated Capacity Shortage may result in temporary complete loss of service to the Cooperative. However, the Cooperative will make every effort to resume service to essential customers as soon as practicable.

(Continued on Sheet No. C-34.00)

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(Continued from Sheet No. C-33.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES (Contd)

C. Anticipated or Predictable Short-Term Capacity Shortages in the Cooperative System

In the event an emergency condition of short-term duration is anticipated or predicted which cannot be relieved by sources of generation within or outside the system service as the Cooperative source of energy, the following steps will be taken at the appropriate time and in the order appropriate to the situation:

1. The internal demand of substations, offices and other premises owned by the Cooperative will be reduced to the largest extent consistent with the maintenance of service.
2. Service will be interrupted to loads rendered service under interruptible tariffs.
3. Voltage will be reduced not more than six percent.
4. Voluntary load reductions will be requested of large commercial and industrial Member-Consumers by procedures established in their respective load management plans.
5. Voluntary load reductions will be requested of all other Member-Consumers through appropriate media appeals.
6. Load shedding of firm Member-Consumer loads will be initiated. Service so interrupted shall be of selected distribution circuits throughout the Cooperative area. Such interruptions shall be consistent with the criteria established for essential health and safety Member-Consumers and will, insofar as practicable, be alternated among circuits. Records will be maintained to insure that during subsequent capacity shortages, service interruptions may be rotated throughout the Cooperative service area in an equitable manner.

D. Long-Term Capacity or Fuel Shortage

The following actions will be implemented until it is determined by the Cooperative energy suppliers that any or all actions may be terminated. The public will be immediately advised through appropriate media sources of the implementation of these procedures. If an emergency situation of long-term duration arises out of a long-term capacity or fuel shortage in the area which cannot be relieved by sources of generation within or outside the system, the following actions will be taken in the order noted as required:

(Continued on Sheet No. C-35.00)

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(Continued from Sheet No. C-34.00)

SECTION IV - EMERGENCY ELECTRICAL PROCEDURES (Contd)

1. Curtail use during hours of maximum system demand of nonessential energy on premises controlled by the Cooperative including parking and large area lighting and interior lighting, except lighting required for security and safety, and other uses of energy both during and outside normal business hours.
2. Initiate voluntary energy curtailment during hours of maximum system demand of all Member-Consumers by requesting, through mass communication media, voluntary curtailment by all Member-Consumers of a minimum of ten percent of their electric use. This use will include lighting, air conditioning, heating, manufacturing processes, cooking, refrigeration, clothes washing and drying, and any other loads that can be curtailed or deferred to off-peak hours.
3. Implement procedures for interruption of selected distribution circuits during the period of maximum system demand on a rotational basis in accordance with specified load reduction amounts minimizing interruption to facilities which are essential to the public health and safety. The length of an interruption of any selected circuit should not exceed two hours and the total interruption should not exceed four hours in any 24-hour period without prior notification to the Commission.
4. If the above actions are made necessary *because of* a long-term fuel shortage, they will be continued in the order taken to maintain as nearly as possible a 30-day fuel supply.

E. Emergency Procedures of Wholesale Suppliers

Where appropriate, the emergency procedures will be the same as those placed in effect by the Cooperative's wholesale for resale energy supplier.

SECTION D

RATE SCHEDULES

Power Supply Cost Recovery Clause

This clause permits the monthly adjustment of rates for power supply to allow recovery of the booked costs of purchased power incurred under reasonable and prudent policies and practices.

For purposes of this clause, the following definitions apply:

"Power supply cost recovery factor" means that element of the rates to be charged for electric service to reflect power supply costs incurred and made pursuant to a power supply cost recovery clause incorporated in the rates or rate schedule.

"Power supply cost recovery plan" means a determination by the Cooperative made annually describing the expected sources of electric power supply and changes over a future 12 month period specified by the Cooperative's Board of Directors and specifying for each of those 12 months a specified power supply cost recovery factor.

"Power supply costs" means those elements of the costs of purchased power as determined by the Cooperative's Board of Directors to be included in the calculation of the power supply cost recovery factor.

The Power Supply Cost Recovery factor shall consist of 0.01126 mills per kilowatthour for each full .01 mills per kWh, of power supply costs, rounded to the nearest .01 mills per kilowatthour. The power supply cost recovery factor to be applied to the Cooperative's retail Member-Consumers' monthly kilowatthour usage represents the power supply costs as established by the Cooperative's Board of Directors pursuant to a power supply and cost review hearing conducted by Cooperative's Board of Directors . The power supply and cost review will be conducted not less than once a year for the purpose of evaluating the power supply cost recovery plan submitted by Cooperative to the Cooperative's Board of Directors and to authorize appropriate power supply cost recovery factors.

Not less than once a year and not later than 4 months after the end of the 12-month period covered by Cooperative's most recently authorized power supply cost recovery plan, a power supply cost reconciliation proceeding will be submitted to the Cooperative's Board of Directors to reconcile the revenues recorded pursuant to the power supply cost recovery factor and the allowance for cost of power included in base rates as established by the Cooperative's Board of Directors under Cooperative's most

(Continued on Sheet No. D-1.01)

Power Supply Cost Recovery Clause
(Continued from Sheet No. D-1.00)

recent power supply cost recovery plan, among other things. Cooperative shall be required to refund to Member-Consumers, or to credit to Member-Consumers' bills any net amount determined to have been recovered which is in excess of the amounts actually expensed by Cooperative for power supply. Cooperative shall recover from Member-Consumers any net amount by which the amount determined to have been recovered over the period covered was less than the amount determined to have been actually expensed by Cooperative for power supply.

The allowance for cost of power supply included in base rates is \$0.09229 per kWh.

The following factors are applied pursuant to 1982 PA 304 in the 12 billing months ending December 2017:

<u>Year</u>	<u>Month</u>	<u>Approved PSCR Factor (per kWh)</u>	<u>Actual Factor Billed (per kWh)</u>
2017	January	\$0.01650	\$0.01650
2017	February	\$0.01650	\$0.0083
2017	March	\$0.01650	\$0.0083
2017	April	\$0.01650	\$0.0000
2017	May	\$0.01650	\$(-.044547)
2017	June	\$0.01650	\$(-.011370)
2017	July	\$0.01650	\$0.0000
2017	August	\$0.01650	\$0.0083
2017	September	\$0.01650	\$0.0083
2017	October	\$0.01650	\$0.0083
2017	November	\$0.01650	\$0.0083
2017	December	\$0.01650	\$0.0083

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By: Debbie Miles
General Manager

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ENERGY OPTIMIZATION PROGRAM CLAUSE

This clause permits, pursuant to Section 89 of 2008 PA 295, the adjustment of distribution rates, via the application of an Energy Optimization Surcharge, to allow recovery of the energy optimization program costs incurred by the Cooperative in compliance with Section 89 of 2008 PA 295.

An energy optimization cost reconciliation shall be conducted annually.

The approved Energy Optimization Surcharges are shown below.

ENERGY OPTIMIZATION SURCHARGES

<u>Sheet No.</u>	<u>Rate Schedule</u>	2015-2018 <u>\$/kWh</u>
D-4.00	Schedule A	\$0.00275
D-5.00	Schedule AH	\$0.00275
D-6.00	Schedule AS – Seasonal Residential Service	\$0.00275

<u>Sheet No.</u>	<u>Rate Schedule</u>	2015-2018 <u>\$/meter/month</u>
D-7.00	Schedule B – General Service	\$1.85
D-8.00	Schedule LP –Large Power Service	\$19.25
D-19.00	Schedule LP 1 – Large Power Service (over 150 kW)	\$140.03
D-11.00	Schedule LP-1-C – Large Power (Over 150 kW – Choice)	\$140.03
D-12.00	Schedule LP-C - Large Power Service Rate – Choice	\$19.25

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By: Debbie Miles
General Manager
Ontonagon, Michigan

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of Directors dated **April 21, 2017**

Requirements for Pole Attachments

The Cooperative may permit a cable television company or other attaching party (as defined in paragraph 1(a) of 1980 PA 470; MCLA 460.6g) to make attachments to its poles, ducts or conduits pursuant to contract between the Cooperative and the attaching party. Effective April 1, 1997, the annual pole attachment rate shall be \$3.74 per pole per year.

Attaching parties must obtain any necessary authorizations to occupy public or private rights-of-ways prior to execution of a contract with the Cooperative.

This sheet shall not apply to attachments made or proposed to be made by utilities (as defined in paragraph 1(d) of 1980 PA 470) to the facilities of the Cooperative.

REQUIREMENTS FOR OPERATION OF
PARALLEL GENERATION FACILITIES
(COGENERATORS AND SMALL POWER PRODUCERS)

In order to provide for the safety of Member-Consumers, utility personnel, and others, and to assure reliable electric service consistent with the requirements of the Public Utility Regulatory Policies Act of 1978 and the Michigan Public Service Commission's Order in Case No. U-6798, the following requirements are established for connection and/or operation of Member-Consumer generation facilities in parallel with the Cooperatives distribution system:

Availability

These requirements include all Member-Consumer generation facilities under 100 KW. Member-Consumer generation facilities of 100 KW and over will be handled on an individual basis.

If the Member-Consumer does not meet all of the requirements listed below the Cooperative may require termination of parallel operation and the Member-Consumer shall be liable for any damages or injury resulting from unauthorized or improper connection and/or operation of the Member-Consumer's generation facility. These requirements apply to both existing and proposed installations and are subject to change with approval of the Michigan Public Service Commission from time to time.

Safety and Reliability Requirements

The Member-Consumer shall submit for the Cooperative's review detailed electric diagrams, equipment nameplate data, including the interface device and control system of the Member-Consumer's power sources and a site plan.

The Member-Consumer's control and protection system and site plan must be acceptable to the Cooperative and in accordance with these safety and reliability standards. This system shall provide for immediate automatic shutdown or separation of the Member-Consumer's generator and the Cooperative system in the event of momentary or extended loss of power from the Cooperative, including loss of one or more phases if the Member-Consumer is generating three phase power. The shutdown or separation must continue until normal utility service is restored. The shutdown or separation shall occur when frequency, voltage, and or current deviate from normal utility standards. The Member-Consumer shall be liable if the Member-Consumer's protection system fails to function.

A disconnecting device suitable for use as a protective tag location may be required so as to be accessible and in reasonably close proximity to the billing meter.

The completed installation must meet all local, state and national codes and regulations and is subject to inspection by proper enforcement authorities before commencement of parallel operation. In addition, the Cooperative may, at its discretion, inspect or test the facility at any time.

(continued on Sheet No. D-3.01)

REQUIREMENTS FOR OPERATION OF
PARALLEL GENERATION FACILITIES

(Continued from Sheet No. D-3.00)

The Member-Consumer shall advise the Cooperative prior to making any revisions to the Member-Consumer's generation facility, the control system, or the interface between the two power systems after the installation. Any such revision must be acceptable to the Cooperative.

Should the parallel operation of the Member-Consumer's generation facility cause interference or adversely affect voltage, frequency, harmonic content or power factor in the Cooperative's system or other Member-Consumers' service, the Cooperative may require disconnection of parallel operation until the condition has been corrected.

Reimbursement of Costs

The Member-Consumer shall pay for all costs associated with any addition to or alteration of the Cooperative's equipment required for metering and for the safe and reliable operation of the Member-Consumer's generating equipment in parallel with the Cooperative's system. The Member-Consumer shall also pay for costs of changes required due to safety or adverse effects on other Member-Consumers and/or on the Cooperative caused by the connection and/or operation of the Member-Consumer's generation facility.

The Cooperative may require reasonable and adequate insurance coverage by the interconnecting Member-Consumer and the Member-Consumer shall provide proof of liability coverage as may be required by the Cooperative.

Rates for Sales to Cooperative

Cogenerators and small power producers may operate under one of the following options:

Option I

The Member-Consumer may have a detente installed on its single KWH meter and opt to sell no power to the utility.

Option II

The Member-Consumer may install a second KWH meter to meter energy sold to the Cooperative. The Cooperative will pay per KWH purchased from the Member-Consumer.

(continued on Sheet No. D-3.02)

REQUIREMENTS FOR OPERATION OF
PARALLEL GENERATION FACILITIES
(Continued from Sheet No. D-3.01)

Option III

The Member-Consumer may enter into a contract for at least four years providing for the sale of both capacity and energy. The Cooperative may require a test period, subject to MPSC approval, wherein the exact amount of capacity available for sale can be determined. During this period sales will be made subject to Option II.

Capacity is equal to KWH purchased/720. However in no event will demand payments be made in any month when demand is less than KWH purchased/720 for any of the Cooperative's four weekly system peaks.

After the contract is executed the utility will pay ____ per kWh purchased. The Cooperative will pay a rate per kW based upon the generation characteristics of the Member-Consumer as follows:

$$\text{Rate per KW} = \frac{\text{_____}}{\text{x (capacity factor)}} \times \text{(availability factor)}$$

Availability and capacity factors will initially be based on estimation but may be adjusted if justified by actual performance.

Member-Consumers selling capacity recognize that, under certain operating conditions, the Cooperative will require the qualifying facility to back down its generation.

Recovery of Administrative Costs

Member-Consumers choosing options II and III will be assessed a 1 mill/KWH surcharge to cover administrative costs.

Calculation of Avoided Costs

Pursuant to the Commission's Order in Case No. U-6798, dated August 27, 1982, Ontonagon's avoided costs are based upon the average rate paid to its power suppliers. The power supply bills used to derive avoided energy costs and avoided capacity costs will be kept on file at Ontonagon. Ontonagon personnel will be available to explain how this methodology is applied to these bills so as to derive the avoided costs for any particular billing period.

SCHEDULE A

Availability:

Available in all territory served by the Association, subject to the Association's established service rules and regulations.

Applicability:

Applicable to rural residential consumers for all uses in the home and on the farm, including service to public buildings, such as schools, churches and community halls.

Type of Service:

Single-phase, 60 cycles, at available secondary voltages.

Rate:

Service Charge: **\$25.00** per month

Energy Charge: **19.391¢** per kWh for all kWh

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Minimum Monthly Charge:

Service charge included in the rate.

Sales Tax:

Michigan State Sales Tax will be added where applicable.

Terms of Payment:

This rate schedule is subject to the Association's Allowance Charges as set forth on Sheet No. B-5.00.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Association's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

(Continued on Sheet No. D-4.01)

SCHEDULE A (Contd)
(Continued from Sheet No. D-4.00)

Tax Adjustments

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

SCHEDULE AH

Availability:

As of January 15, 2009, this rate is only available to customers currently taking service on Schedule AH, subject to the Association's established service rules and regulations.

Applicability:

Any monthly billed rural residential consumer in a single family dwelling with Geo-Thermal heating or electric space heating provided the facilities are permanently installed and the primary source of space heating.

Type of Service:

Single-phase, 60 cycles, at available secondary voltages.

Rate:

Service Charge: **\$25.00 per month**

Energy Charge:

For billing months June
through **October** **19.391¢/kWh** for all kWh

For billing months **November**
through May **19.391¢/kWh** for 1st 500 kWh
16.391¢/kWh for the excess

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Minimum Monthly Charge:

Service charge included in the rate.

Sales Tax:

Michigan State Sales Tax will be added where applicable.

(Continued on Sheet No. D-5.01)

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Ontonagon, Michigan

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SCHEDULE AH (Contd)
(Continued from Sheet No. D-5.00)

Terms of Payment:

This rate schedule is subject to the Cooperative's Allowance Charges as set forth in R 460.122 (see Sheet No. B-5.00).

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

SCHEDULE AS
SEASONAL RESIDENTIAL SERVICE

Availability:

Available in all territories served by the Association, subject to the Association's established service rules and regulations.

Applicability:

Applicable to residential consumers for service to residence, located adjacent to existing distribution lines, which are occupied for periods aggregating not more than nine months per year. If the premises are occupied intermittently throughout the year, service need not be disconnected during periods of non-occupancy.

This schedule is not applicable to consumers for service to seasonal cabins for transients and other commercial seasonal service.

Type of Service:

Single-phase, 60 cycles, at available secondary voltages.

Rate:

Service Charge: **\$35.00** per customer per month

Energy Charge: **19.391¢** per kWh for all kWh

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Minimum Charge:

The minimum annual charge shall be the service charge.

Sales Tax:

Michigan State Sales Tax will be added where applicable.

(Continued on Sheet No. D-6.01)

SCHEDULE AS
SEASONAL RESIDENTIAL SERVICE (Contd)
(Continued from Sheet No. D-6.00)

Terms of Payment:

This rate schedule is subject to the Cooperative's Allowance Charges as set forth in R 460.122 (see Sheet No. B-5.00).

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

**SCHEDULE B
GENERAL SERVICE**

Availability:

Available in all territories served by the Association to members with installed transformer capacity of 25 kVa or less subject to the Association's established service rules and regulations.

Type of Service:

Single-phase or multi-phase, 60 cycles, at available secondary voltages.

Rate

Service Charge:

Single Phase	\$33.00 per customer per month
Three Phase	\$47.00 per customer per month

Energy Charge:

17.791¢ per kWh for all kWh

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Minimum Monthly Charge:

The minimum monthly charge shall be the service charge, plus the Energy Optimization Surcharge amount shown on Sheet No. D-1.03.

Sales:

Michigan State Sales Tax will be added where applicable.

Terms of Payment:

Bills are rendered net with payment due 21 days from date of bill. A 2% late payment charge will be added to bills not paid by the due date shown thereon.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

(Continued on Sheet No. D-7.01)

Issued **December 4, 2017**
By: Debbie Miles
General Manager
Ontonagon, Michigan

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Issued under the authority of the Board
of Directors dated **April 21, 2017**

SCHEDULE B
GENERAL SERVICE (Contd)
(Continued from Sheet No. D-7.00)

Tax Adjustments

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.

- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

**SCHEDULE LP
LARGE POWER SERVICE**

Availability:

Available to consumers served by Association's single or three-phase lines, for all types of usage with a billing demand of 10 kW or greater, subject to the established rules and regulations of the Association.

Rate:

\$16.40 per month per kW of billing demand plus energy charges of **11.591¢** per kWh for all kWh.

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Determination of Billing Demand:

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen 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:

Power Factor Adjustment:

The consumer agrees to maintain unity power factor as nearly as possible. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum demand is less than 90 percent, the demand for billing purposes shall be multiplied by the demand as indicated or recorded by the demand meter, multiplied by 90 percent and divided by the percent power factor.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Association's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Minimum Monthly Charge:

The minimum monthly charge shall be the demand charge but not less than the demand charge for 10 kW, plus the Energy Optimization Surcharge amount shown on Sheet No. D-1.03.

Type of Service

Single or triple-phase, 60 cycle, at Cooperative's standard or secondary voltages.

(Continued on Sheet No. D-8.01)

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Ontonagon, Michigan

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**SCHEDULE LP
LARGE POWER SERVICE (Contd)
(Continued from Sheet No. D-8.00)**

Service Provisions

- A. Delivery point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the delivery point shall be owned and maintained by the consumer.
- B. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumers transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.
- C. Lighting. Both power and lighting shall be billed at the foregoing rate. If a separate meter is required for the lighting circuit, the registrations of the two watt-hour meters shall be added to obtain total kilowatt hours used and the registrations of the two demand meters shall be added to obtain the total kilowatt demand for billing purposes.
- D. Primary Service. A discount of \$0.12 per kVA of contract capacity will be applied to the bill when service is taken by the consumer at the available primary voltage. If primary metering is used, an additional discount of 2.0% shall be applied to the bill. The 2.0% discount shall be applied after the \$0.12 per kVA discount.

However, the Seller shall have the option of metering at secondary voltage and adding the estimated transformer losses to the metered kilowatthours and kilowatt demand.

Terms of Payment

Bills are rendered net with payment due 21 days from date of bill. A 2% late payment charge will be added to all bills not paid by the due date shown thereon.

Sales Tax:

Michigan States Sales Tax will be added where applicable.

(Continued on Sheet No. D-8.02)

SCHEDULE LP
LARGE POWER SERVICE (Contd)
(Continued from Sheet No. D-8.01)

Tax Adjustments

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

**SCHEDULE LP 1
LARGE POWER SERVICE**

Availability:

Available to consumers served by Association's three-phase lines, for all types of usage with a billing demand of 150 kW or greater, subject to the established rules and regulations of the Association.

Rate:

\$17.80 per month per kW of billing demand plus energy charges of **8.7610¢** per kWh for all kWh.

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Determination of Billing Demand:

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen 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:

Power Factor Adjustment:

The consumer agrees to maintain unity power factor as nearly as possible. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum demand is less than 90 percent, the demand for billing purposes shall be multiplied by the demand as indicated or recorded by the demand meter, multiplied by 90 percent and divided by the percent power factor.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Association's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Minimum Monthly Charge:

The minimum monthly charge shall be the demand charge but not less than the demand charge for 150 kW, plus the Energy Optimization Surcharge amount shown on Sheet No. D-1.03.

(Continued on Sheet No. D-9.01)

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General Manager
Ontonagon, Michigan

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**SCHEDULE LP 1
LARGE POWER SERVICE (Contd)
(Continued from Sheet No. D-9.00)**

Sales Tax

Michigan States Sales Tax will be added where applicable.

Tax Adjustments

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.

- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

**SCHEDULE SA-1
STREET LIGHTING SERVICE**

Availability:

The Energy Policy Act of 2005 requires that mercury vapor lamp ballasts shall not be manufactured or imported after January 1, 2008. To the extent that the Cooperative has the necessary materials, the Cooperative will continue to maintain existing mercury vapor lamp installations in accordance with this Electric Rate Schedule. With respect to mercury vapor lamp installations, rates apply to existing luminaires only and are not open to new business except where the Cooperative elects, at the customer's request, to install additional luminaires within an area already served by a mercury vapor unmetered lighting system. Any such election is subject to the Cooperative having the necessary materials and to the discretion of the Cooperative

Experimental Emerging Lighting Technology Provision

Available on an optional basis to Member-Consumers desiring Street Lighting Service using emerging lighting technologies not otherwise offered through the standard tariff. Emerging lighting technologies and Member-Consumer participation must be approved by the Cooperative and the energy and maintenance benefits for each project will be calculated based on predicted energy and luminaire life. The Cooperative and the Member-Consumer will mutually agree on all prices, terms, and conditions for the service under this provision, evidenced by signed agreement.

Street Lighting Rates:

The charge shall be **\$9.45** per lamp per month; or **31.000¢** per kWh for all kWh, if metered. The charge for LED alternative shall be **\$8.14** per lamp per month or **31.000¢** per kWh for all kWh, if metered, plus an up-front installation charge of \$205 per fixture.

Conditions of Service:

- (1) Village is to turn the lights on and off.
- (2) Street lighting equipment is to be supplied by the village, the Association is to string the necessary wires.
- (3) Lamp replacement shall be made by the village.
- (4) Bills are rendered net with payment due 21 days from date of bill.

(Continued on Sheet No. D-10.01)

Issued March 5, 2013
By: Debbie Miles
General Manager
Ontonagon, Michigan
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of Directors dated February 26, 2013

SCHEDULE SA-1
STREET LIGHTING SERVICE (Contd)
(Continued from Sheet No. D-10.00)

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Association's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01, For purposes of this adjustment for unmetered lights, the monthly energy usage is assume to be 63 kWh or 15 kWh for optional LED lights.

Sales Tax:

Michigan State Sales Tax will be added where applicable.

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

SCHEDULE LP-1-C
LARGE POWER SERVICE RATE-CHOICE

Availability:

Subject to the Rules and Regulations of the Cooperative and its *Retail Access Service Tariff*, this schedule is available to Member-Consumers eligible to be taking service under the Cooperative's Large Power Service Rate, Schedule LP-1. Service under this rate is for delivery of power from the Point of Distribution Receipt to the Point of Distribution Delivery and is subject to the following conditions:

1. The Member-Consumer must have a Maximum Demand of at least **1 MW**. Individual Member-Consumers receiving demand metered service at multiple metering points and eligible to be taking service under the Cooperative's Schedule LP may achieve the **1 MW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. The applicable rate schedule will apply to all aggregated metering points on an individual account basis.
2. The Member-Consumer must enter a Retail Access Service Agreement with the Cooperative.
3. The transmission of power to the Distribution Point of Receipt and all related costs shall be the responsibility of the Member-Consumer and/or Alternative Electric Supplier (AES).
4. The Member-Consumer must agree to purchase any default energy delivered pursuant to Schedule RASS-Retail Access Standby Service in addition to the service specified herein.

Billing Rate:

Demand Charge: \$1.22 per kW

Variable Distribution Charge: 3.43¢ per kWh

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Determination of Billing Demand:

The billing demand shall be the maximum kilowatt demand established by the Member-Consumer for any period of fifteen 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:

(Continued on Sheet No. D-11.01)

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General Manager
Ontonagon, Michigan



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SCHEDULE LP-1-C
LARGE POWER SERVICE RATE-CHOICE (Contd)
(Continued from Sheet No. D-11.00)

Power Factor Adjustment

The Member-Consumer agrees to maintain unity power factor as nearly as possible. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum demand is less than 90 percent, the demand for billing purposes shall be multiplied by the demand as indicated or recorded by the demand meter, multiplied by 90 percent and divided by the percent power factor.

Minimum Monthly Charge

The minimum monthly charge shall be the Demand Charge but not less than the Demand Charge for **1 MW**, plus the Energy Optimization Surcharge amount shown on Sheet No. D-1.03.

Sales Tax

Michigan State Sales Tax will be added where applicable.

Tax Adjustments

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

Terms of Payment

- A. A one-time late payment charge of two percent of the unpaid balance, net of taxes, will be assessed on any bill which is delinquent.
- B. Billings are due 21 days from the date of rendition for payment in full.

(Continued on Sheet No. D-11.02)

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General Manager
Ontonagon, Michigan



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**SCHEDULE LP-1-C
LARGE POWER SERVICE RATE-CHOICE (Contd)
(Continued from Sheet No. D-11.01)**

- C. The Cooperative will not collect any monies on behalf of any alternate power supplier, retailer, or other third party without a written agreement between the Cooperative, the Member-Consumer, and the third party.

Metering

Subject to the terms and conditions of the *Retail Access Service Tariff*, the Member-Consumer shall be responsible for any associated communication systems such as telephone lines, or other related equipment between the Cooperative, the Member-Consumer, and the third party.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member-Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member-Consumer and any third party.

Transition Charge

Service under this rate may be subject to a transition charge subject to the approval of the Michigan Public Service Commission.

Rules and Regulations:

Service is governed by the Cooperative's Standard Rules and Regulations and the Cooperative's Retail Access Service Tariff.

SCHEDULE LP-C
LARGE POWER SERVICE RATE - CHOICE

Availability:

Subject to the Rules and Regulations of the Cooperative and its *Retail Access Service Tariff*, this schedule is available to Member-Consumers eligible to be taking service under the Cooperative's Large Power Service Rate, Schedule LP. Service under this rate is for delivery of power from the Point of Distribution Receipt to the Point of Distribution Delivery and is subject to the following conditions:

1. The Member-Consumer must have a Maximum Demand of at least **1 MW**. Individual Member-Consumers receiving demand metered service at multiple metering points and eligible to be taking service under the Cooperative's Schedule LP may achieve the **1 MW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. The applicable rate schedule will apply to all aggregated metering points on an individual account basis.
2. The Member-Consumer must enter a Retail Access Service Agreement with the Cooperative.
3. The transmission of power to the Distribution Point of Receipt and all related costs shall be the responsibility of the Member-Consumer and/or Alternative Electric Supplier (AES).
4. The Member-Consumer must agree to purchase any default energy delivered pursuant to Schedule RASS-Retail Access Standby Service in addition to the service specified herein.

Type of Service

Single or triple-phase, 60 cycle, at Cooperative's standard or secondary voltages.

Billing Rate

Demand Charge: \$0.00 per kW

Variable Distribution Charge: 5.93¢ per kWh

Energy Optimization Surcharge:

This rate is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

(Continued on Sheet No. D-12.01)

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General Manager
Ontonagon, Michigan



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SCHEDULE LP-C
LARGE POWER SERVICE RATE-CHOICE (Contd)
(Continued from Sheet No. D-12.00)

Determination of Billing Demand

The billing demand shall be the maximum kilowatt demand established by the Member-Consumer for any period of fifteen 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:

Power Factor Adjustment

The consumer agrees to maintain unity power factor as nearly as possible. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum demand is less than 90 percent, the demand for billing purposes shall be multiplied by the demand as indicated or recorded by the demand meter, multiplied by 90 percent and divided by the percent power factor.

Minimum Monthly Charge

The minimum monthly charge shall be the Demand Charge but not less than the Demand Charge for **1 MW**.

Sales Tax

Michigan State Sales Tax will be added where applicable.

Tax Adjustments

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

(Continued on Sheet No. D-12.02)

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Ontonagon, Michigan



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SCHEDULE LP-C
LARGE POWER SERVICE RATE-CHOICE (Contd)
(Continued from Sheet No. D-12.01)

Terms of Payment:

- C. A one-time late payment charge of two percent of the unpaid balance, net of taxes, will be assessed on any bill which is delinquent.
- D. Billings are due 21 days from the date of rendition for payment in full.
- E. The Cooperative will not collect any monies on behalf of any alternate power supplier, retailer, or other third party without a written agreement between the Cooperative, the Member-Consumer, and the third party.

Metering

Subject to the terms and conditions of the Retail Access Service Tariff, the Member-Consumer shall be responsible for any associated communication systems such as telephone line, or other related equipment between the Cooperative, the Member-Consumer, and the third party.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member-Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member-Consumer and any third party.

Transition Charge

Service under this rate may be subject to a transition charge subject to the approval of the Michigan Public Service Commission.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations and the Cooperative's Retail Access Service Tariff.

**NET METERING PROGRAM
GENERATORS WITH A CAPACITY OF 20 KW AND LESS**

Availability

This rate is available only to Member-Consumers who operate renewable electric generation facilities with a nameplate capacity of 20 kW or less and are interconnected with the Cooperative's system, to generate a portion or all of the Member-Consumer's own electricity. If a Member-Consumer has more than one electric generator, the generator's rating(s) shall be summed and the sum may not exceed 20 kW.

The Cooperative's Net Metering Program is available on a first come, first serve basis until the nameplate capacity of all participating generators is equal to the maximum program limit of 1% of the Cooperative's peak load for the preceding calendar year. The maximum program limit of 1% shall be further allocated as follows:

- a) No more than 0.5% for Member-Consumers with a system capable of generating 20 kilowatts or less.
- b) No more than 0.25% for Member-Consumers with a system capable of generating more than 20 kilowatts but not more than 150 kilowatts.
- c) No more than 0.25% for Member-Consumers with a system capable of generating more than 150 kilowatts, but not more than 550 kW.

Upon enrolling in the Net Metering Program Member-Consumers shall be eligible to continue participation for a minimum period of ten years. A participating Member-Consumer may terminate participation in the Cooperative's Net Metering Program at any time for any reason.

Member-Consumer Eligibility

To be eligible to participate in the Net Metering Program, Member-Consumers must (1) generate a portion or all of their own retail electricity requirements using an eligible electric generator as defined in MCL 460.1005, specifically solar, wind, geothermal, biomass, including waste-to energy and landfill gas, or hydroelectric, and (2) be Full Requirements Service Member-Consumers taking service under one of the Cooperative's standard electric rates.

The generation equipment must be located on the Member-Consumer's premises, serving only the Member-Consumer's premises and must be intended primarily to offset a portion or all of the Member-Consumer's requirements for electricity. At the Member-Consumer's option, the generation capacity shall be determined by one of the following methods:

(Continued on Sheet No. D-13.01)

**NET METERING PROGRAM
GENERATORS WITH A CAPACITY OF 20 KW AND LESS
(Continued from Sheet No. D-13.00)**

- a) Aggregate nameplate capacity of the generator(s).
- b) Aggregate projected annual kWh output of the generators(s)

The Member-Consumer is required to provide the Cooperative with the capacity rating in kW of the generating unit(s) and a projection of the annual kWh output of the generating unit(s) when completing the Cooperative's Net Metering Application.

The Member-Consumer shall determine its annual electricity needs using one of the following methods:

- a) The Member-Consumer's annual energy usage, measured in kWh, during the previous 12 month period:
- b) Where metered demand data is available, the maximum integrated hourly demand measured in kW during the previous 12 month period: or
- c) In cases where no data, incomplete data, or incorrect data for the Member-Consumer's past annual energy usage is available, or where the Member-Consumer is making changes on-site that will affect their future total annual electric usage, the Cooperative and the Member-Consumer shall mutually agree on a method to determine the Member-Consumer's future annual energy usage.

The requirements for interconnecting a generator with the Cooperative's facilities are contained in the Michigan Public Service Commission's Electric Interconnection and Net Metering Standards Rules (R 460.601a-460.656) and the Cooperative's Michigan Electric Utility Generator Interconnection Requirements, copies of which will be provided to Member-Consumers upon request. Member-Consumers shall be provided a copy of the Cooperative's Generator Interconnection Application and Net Metering Application and shall be required to complete both applications and submit them with all applicable application fees (including, but not limited to, the \$25.00 net metering application fee as required in Rule 460.642(6)) for review and approval prior to interconnection of their generator to the Cooperative's facilities. All requirements of the MPSC's Electric Interconnection and Net Metering Standards and the Cooperative's Net Metering Program must be met prior to commencing Net Metering service.

A Member-Consumer that is enrolled in the Net Metering Program will continue to take electric service under the Cooperative's applicable service tariff.

(Continued on Sheet No. D-13.02)

**NET METERING PROGRAM
GENERATORS WITH A CAPACITY OF 20 KW AND LESS
(Continued from Sheet No. D-13.01)**

Metering

The Member-Consumer's net usage shall be determined with metering capable of reverse registration or, at the Cooperative's discretion and expense, a single meter with separate registers measuring power flow in each direction. If the Member-Consumer's existing meter is not capable of reverse registration, the incremental cost above that for meters provided for similarly situated non-generating Member-Consumers shall be paid by the Member-Consumer.

Monthly Charges:

The Member-Consumer shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer when the Member-Consumer's monthly net usage results in a net flow of energy from the Cooperative to the Member-Consumer. When the Member-Consumer's monthly net usage results in a net flow of energy from the Member-Consumer to the Cooperative, the Member-Consumer shall be credited the full retail rate for the energy provided to the Cooperative in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer.

The credit for any excess generation, as determined by each month's meter reading, shall be credited against the following month's bill. Any credit carried forward to the following month that is not used up that month, shall be carried forward for use in subsequent billing periods. If a Member-Consumer terminates service with the Cooperative while having a net metering credit amount on their account, the Cooperative shall refund the remaining credit amount to the Member-Consumer following a final reading by the Cooperative of the Member-Consumer's net meter.

SECTION E
RETAIL ACCESS SERVICE TARIFF

1.0 INTRODUCTION AND DEFINITIONS

This tariff expresses the terms and conditions associated with Retail Access Service and provides information regarding the roles of the various market participants. This tariff includes the following sections:

Introduction and Definitions	Section 1.0
Member-Consumer Section	Section 2.0
Alternative Electric Supplier Section	Section 3.0
Dispute Resolution	Section 4.0
Liability and Exclusions	Section 5.0

When a Member-Consumer participates in Retail Access Service and obtains Generation Services from an Alternative Electric Supplier (AES), the Cooperative will maintain a relationship and interact with the separate participants – including the Member-Consumer, the Transmission Service Provider, and the AES.

1.1 The Member-Consumer Role

The Member-Consumer is the end-user of Power in the State of Michigan who has facilities connected to the Cooperative's Distribution System. Under Retail Access Service, the Member-Consumer will conduct transactions with at least two participants – including the Cooperative and an AES. The Member-Consumer is responsible for choosing an AES. Member-Consumers may receive transmission service directly from the Transmission Service Provider or the AES may make such arrangements as part of its service to the Member-Consumer.

The Cooperative's principal requirement is that the Member-Consumer must be eligible to be taking service under the Cooperative's Schedule Large Power Service Schedules (Schedule LP or Schedule LP-1) and have a Maximum Demand of at least **1 MW**. An Individual Member-Consumer currently demand metered and taking service under the Cooperative's Schedule LP may achieve the **1 MW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to aggregated metering points on an individual account basis.

(Continued on Sheet No. E-1.01)

Issued **October 17, 2013**
By: **Debbie Miles**
General Manager
Ontonagon, Michigan



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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.00)**

The Member-Consumer is ultimately responsible for the purchase and delivery of power to the Cooperative's distribution system that is sufficient to meet the Member-Consumer's electrical requirements for each hour of each day. If for any reason, including but not limited to the failure or default of the AES, the failure of its generation resources and/or transmission system constraints, power is delivered to a retail open access Member-Consumer by the Cooperative then the Member-Consumer shall purchase said power from the Cooperative pursuant to the Default Service provisions of this tariff.

1.2 The Alternative Electric Supplier Role

An Alternative Electric Supplier (AES) is a Person that has been licensed by the Michigan Public Service Commission to sell electric generation service to retail Consumers in this state. The AES takes title to Power and sells Power in Michigan's retail electric market.

An AES makes necessary arrangements to provide Power to Member-Consumers, assembles products and/or services, and sells the products and/or services to Member-Consumers. The AES must meet all applicable statutory and regulatory requirements of Michigan and federal law.

Market participation responsibilities of the AES or Member-Consumer include: scheduling energy, obtaining and paying for transmission and ancillary services (including energy imbalance charges), and payment or provision of energy for losses incurred on the Transmission System and the Distribution System to deliver Power. The AES is responsible for assuring power supply, arranging deliveries to the Cooperative's Distribution System, and managing its own retail sales.

1.3 Transmission Service Provider Role

The Transmission Service Provider delivers electrical energy to the Cooperative's distribution system. To obtain retail access service, the Member-Consumer or the AES on behalf of the Member-Consumer must arrange for transmission service from the Transmission Service Provider. The Transmission Service Provider provides services to transmission consumers, whether an AES or a Member-Consumer as defined herein, pursuant to its Open Access Transmission Tariff (OATT) rules and regulations as approved by the Federal Energy Regulatory Commission or pursuant to a Transmission Tariff approved by another appropriate regulatory authority.

(Continued on Sheet No. E-1.02)

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RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.01)

1.4 Cooperative Role

The Cooperative provides facilities and related services for the distribution of electricity and is the Member-Consumer's primary contact for electric service. Under Retail Access, the Cooperative arranges for the physical connection of the Member-Consumer's facilities to the Distribution system and provides system maintenance, outage restoration, metering equipment, meter data processing, bill processing for distribution services and other Consumer support services.

The Cooperative's Generation Services (Default Service and Full Requirements Service) offered herein are supplied by purchases for resale from the Cooperative's wholesale power supplier. Such purchases are made pursuant to tariffs that are established by the wholesale power supplier and approved by the Federal Energy Regulatory Commission or other appropriate regulatory authority.

1.5 Definitions

“*Aggregate*” or “*Aggregation*” means to combine or the combination of multiple metering points serving an individual Member-Consumer for the purpose of qualifying for Retail Access Service.

“*Alternative Electric Supplier*” or “*AES*” means a Person properly licensed by the Michigan Public Service Commission to sell electric Generation Service to retail Consumers in the state of Michigan. AES does not include a Person who physically delivers electricity from the AES directly to retail Consumers in Michigan.

“*Commission*” means the Michigan Public Service Commission.

“*Cooperative*” means Ontonagon County Rural Electrification Association or its agent.

“*Default Service*” means Generation Service provided by the Cooperative. Default Service shall be purchased under the rates, terms, and conditions in the applicable Retail Access Standby Service tariff approved by the Commission.

(Continued on Sheet No. E-1.03)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.02)**

“*Demand*” means the amount of Power required to meet the Member-Consumer’s load averaged over a designated interval of time, expressed in kilowatts or megawatts.

“*Distribution Point of Delivery*” means the point of interconnection between the Cooperative’s Distribution System and the Member-Consumer’s service Location.

“*Distribution Point of Receipt*” means the point of interconnection between the Cooperative’s Distribution System and the Transmission System or other facilities where electric Energy is received for delivery to a Member-Consumer.

“*Distribution Service*” means the provision of retail Regulated Electric Service including delivery of Generation over the Distribution System, and ancillary services all provided by the Cooperative pursuant to its rates for Retail Access Service.

“*Distribution System*” means facilities operated by the Cooperative for the purpose of distributing electric power within the Cooperative's electric service territory, which are subject to the jurisdiction of the Commission.

“*Drop Request*” means a request by an AES to terminate Generation Service to a Member-Consumer.

“*Drop Response*” means a response sent by the Cooperative to an AES which submitted a Drop Request that confirms the requested Member-Consumer drop as pending and provides certain Member-Consumer information or, if the Drop Request is denied, provides a reason or invalidation code explaining why the request was denied.

“*Energy*” refers to “electrical energy.” Energy is usually measured in kilowatt-hours (kWh) or megawatt-hours (MWh).

(Continued on Sheet No. E-1.04)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.03)**

“*Full Requirements Service*” means the provision of retail Regulated Electric Service including generation, transmission, distribution, and ancillary services all provided by the Cooperative pursuant to its rates for standard electric service.

“*Generation Service*” means the provision of electric Power, transmission, and related ancillary services.

“*Interval Demand Meter*” means a meter capable of measuring and recording kW demands and kVAR demands on a sub-hour time interval and hourly integrated basis and measuring energy in kWh on a cumulative basis.

“*Load*” means any end-use device drawing energy from the electric system.

“*Location*” means each Member-Consumer facility, whether owned or leased, where power is delivered by the Cooperative.

“*Maximum Demand*” (also known as “Peak Demand”) means the highest 15-minute integrated demand created during the current and previous eleven (11) billing months at each voltage level, whether the Member-Consumer received service under this tariff or another Cooperative retail tariff.

“*Member-Consumer*” means, for purposes of Retail Access Service, a Person with electrical load facilities connected to the Cooperative’s Distribution System and to whom Power is delivered to its Location pursuant to this tariff. All Member-Consumers, regardless of the voltage level of the service, are considered to be connected to the Cooperative’s Distribution System.

“*Open Access Transmission Tariff (OATT)*” means Open Access Transmission Tariff of a Person owning or controlling the Transmission System, on file with the Federal Energy Regulatory Commission, as may be amended from time to time.

(Continued on Sheet No. E-1.05)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.04)**

“*Person*” means an individual, governmental body, corporation, partnership, association, or other legal entity.

“*Power*” means a combination of the electric Demand and Energy requirements of the Member-Consumer.

“*Retail Access Service*” means the service offered by the Cooperative under applicable laws, regulations, tariffs and agreements, which allows the Member-Consumer to purchase Generation Service from a licensed AES, with Power delivered through the Cooperative’s Distribution System.

“*Regulated Electric Service*” means the services offered by the Cooperative under terms and conditions approved by the Commission.

“*Relevant Market*” means either the Upper Peninsula or the Lower Peninsula of this state.

“*Slamming*” means the act of changing the Member-Consumer’s chosen AES, or changing the Member-Consumer from Full Requirements Service to Generation Service from an AES, without the Member-Consumer’s consent.

“*Switch*” means a Member-Consumer move from one provider of Generation Service to another.

“*Switch Date*” means the date on which the Member-Consumer is actually assigned to a new Generation Service provider for purposes of Energy supply responsibility.

“*Switch Request*” means a request by an AES to switch the Member-Consumer from the Cooperative or another AES to the requesting AES, for Generation Service.

“*Switch Response*” means a response sent by the Cooperative to an AES which submitted a Switch Request that confirms the requested Member-Consumer switch as pending and provides certain Member-Consumer information or, if the Switch Request is denied, provides a reason or invalidation code explaining why the request was denied.

(Continued on Sheet No. E-1.06)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.05)**

“*Transition Charge*” means a surcharge for the recovery of costs associated with the implementation of Retail Access Service and/or the Cooperative’s stranded costs arising from the implementation of Retail Access Service, as determined by the Commission.

“*Transmission Service Provider*” means a Person that owns, controls and/or operates transmission facilities and provides transmission and related services to the Cooperative including scheduling of power supply resources into the transmission system on behalf of the Cooperative.

“*Transmission System*” means facilities operated by a Person used for transmitting electric Power to the Distribution Point of Receipt, and subject to the jurisdiction of the Federal Energy Regulatory Commission.

“*Uniform Data Transaction*” means specific technical arrangements for trading information, initiating business requests and executing other common transactions. These arrangements may encompass a number of electronic media and use specified transport protocols.

(Continued on Sheet No. E-1.07)

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**RETAIL ACCESS STANDBY SERVICE
SCHEDULE RASS
(Continued from Sheet No. E.-1.06**

2.0 MEMBER-CONSUMER SECTION

2.1 Availability

Retail Access Service is available to all existing or new Member-Consumers that meet the terms and conditions of this Retail Access Service tariff and other applicable Cooperative tariffs, subject to contracting with an AES.

2.2 Eligibility

- 2.2.1 A Member-Consumer's eligibility to take Retail Access Service is subject to the full satisfaction of any terms or conditions imposed by pre-existing contracts with or tariffs of the Cooperative. Member-Consumers must have satisfied any past due amounts for Regulated Electric Service owed to the Cooperative under any other arrangements or provisions for Regulated Electric Service before taking service under this tariff.
- 2.2.2 An Individual Member-Consumer who is eligible to be taking service under the Cooperative's Schedules LP or LP-1, and having a demand meter registering with a Maximum Demand of at least **1 MW** is eligible to take service under this tariff. An Individual Member-Consumer receiving demand metered service at multiple metering points and who is eligible to be taking service under the Cooperative's Schedule LP may achieve the **1 MW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to aggregated metering points on an account individual basis.

(Continued on Sheet No. E-1.08)

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RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.07)

2.3 Member-Consumer Information

Member-Consumers will be provided their own usage and billing information upon request. No fee shall be charged for the first request per calendar year related to a specific Member-Consumer account. An AES must obtain written authorization from the Member-Consumer before the Cooperative will provide an AES with a Member-Consumer's currently available usage and billing information. Subsequent requests by the Member-Consumer or the AES will require a fee of \$30.00 per account that will be billed to the Member-Consumer.

2.4 Member-Consumer Enrollment and Switching

- 2.4.1 A Member-Consumer which switches to an AES cannot return to the Cooperative's Full Requirements Service for two years after the switch to the AES has been effectuated. See Return to Service Provision in Section 2.6.
- 2.4.2 A Member-Consumer will specify only one AES at any given time for the supply of Power to each Member-Consumer account or Member-Consumer Location.
- 2.4.3 A Member-Consumer shall be permitted to change AESs. Assuming all other requirements are met, the changes will become effective at the completion of their normal billing cycle. Member-Consumers will be assessed a fee of \$10.00 per Member-Consumer account for each change beyond one (1) within a calendar year. The change will be submitted to the Cooperative by the Member-Consumer's newly chosen AES as a Switch Request.
- 2.4.4 The AES shall submit to the Cooperative a Switch Request via a Uniform Data Transaction after a required ten (10) day Consumer rescission period.

(Continued on Sheet No. E-1.09)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.08)**

2.4.5 The Cooperative will process one (1) valid Switch Request per Member-Consumer per meter reading cycle. Where multiple Switch Requests for the same Member-Consumer are received during the same meter reading cycle, the Cooperative will process the first valid Switch Request received during a meter read cycle. A Switch Response for each rejected Switch Request will be sent to the appropriate AES via a Uniform Data Transaction within three (3) business days.

The Cooperative will normally validate a Switch Request within three (3) business days of the receipt of the Switch Request and will transmit a Switch Response to the AES. As part of the validation process, the Cooperative shall notify the Member-Consumer in writing that a Switch Request has been received and is being processed.

For valid Switch Requests from one AES to another, the Cooperative will at the same time send to the AES currently serving the Member-Consumer, via the appropriate Uniform Data Transaction, notice that the AES's service is to be terminated, including the scheduled Member-Consumer Switch Date. In the event that the Member-Consumer or the new AES cancels the Switch before the Switch Date, the Cooperative will send to the current AES, via appropriate Uniform Data Transaction, notice reinstating the current AES's service unless the current AES has submitted a valid Drop Request.

Cut-off time for the receipt of Switch Requests is eight (8) business days in advance of the Member-Consumer's Switch Date. In the case of errors or omissions in Switch Requests received by the Cooperative, final disposition of exceptions may take up to five (5) business days.

(Continued on Sheet No. E-1.10)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.09)**

- 2.4.6 Other than in situations where Member-Consumers require new meter installations as part of a Switch, Member-Consumer Switches will be scheduled to take place on the scheduled meter reading date, and will be effective on the actual meter reading date or the date of an estimated meter reading for billing purposes. The Switch Date shall be effective on the next scheduled meter read date that is not less than eight (8) business days after the Switch Request has been confirmed as pending. The AES change shall occur at midnight (00:00) local time at the beginning of the effective date.
- 2.4.7 The Cooperative shall process Drop Requests submitted by AESs in the same manner as it processes Switch Requests, including Member-Consumer notification. AESs shall be subject to the same timing, validation and Uniform Data Transaction requirements for Drop Requests as for Switch Requests. An AES shall inform the Member-Consumer in writing of the submission of a Drop Request.

2.5 Metering

- 2.5.1 Metering equipment for Member-Consumers taking Retail Access Service shall be furnished, installed, read, maintained, and owned by the Cooperative.
- 2.5.2 Member-Consumers shall be required to have an Interval Demand Meter at each metering point.
- 2.5.3 If a new Interval Demand Meter is required, time and material costs to install it will be assessed to the Member-Consumer.

(Continued on Sheet No. E-1.11)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.10)**

- 2.5.4 The Cooperative may require that the meter be read via telephone. In such cases, Member-Consumers will be required to provide a telephone connection for purposes of meter interrogation by the Cooperative. If a Member-Consumer is not able to allow sharing of a telephone connection, the Member-Consumer may be required to obtain a separate telephone connection for such purposes. The Member-Consumer is responsible for assuring the performance of the telephone connection. The Member-Consumer shall be responsible for all costs of the required telephone connection.
- 2.5.5 In cases where a telephone connection used by the Cooperative for meter interrogation is out of service, the Cooperative may retrieve the data manually for a nominal monthly fee of \$40.00 payable by the Member-Consumer. In the event that the telephone connection is out for three consecutive billing months, the Member-Consumer's Retail Access Service may be terminated and the Member-Consumer will be returned to service under the Cooperative's Full Requirements Service tariffs subject to the provisions of Section 2.6, unless said outage is due to non-performance by the telecommunications service provider.
- 2.5.6 Energy consumption and Demand for settlement purposes shall be based on the data from the Interval Demand Meters.
- 2.5.7 Where monthly metered Energy data is not available due to metering errors, malfunctions, or otherwise, the billing quantities will be estimated by the Cooperative using the available historical data and other relevant information for the Member-Consumer.

(Continued on Sheet No. E-1.12)

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RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.11)

2.6 Return to Full Requirements Service

2.6.1 A Member-Consumer which switches to an AES cannot return to the Cooperative's Full Requirements Service for two (2) years after the switch to the AES has been effectuated. After such two (2) year period, a Member-Consumer may return to full service after giving the Cooperative at least 30 days written notice, unless the Member-Consumer wants to take service during the summer months of June through September, in which case the Member-Consumer must give the Cooperative notice no later than the preceding December 1. The Cooperative will return the Member-Consumer to Full Requirements Service following the notice period. Said notice period commences with the beginning of the Member-Consumer's billing cycle following receipt of the Member-Consumer's written notice of intent to return to Full Requirements Service. If the Member-Consumer returns to the Cooperative's Full Requirements Service for any reason prior to such two (2) year period or prior to the expiration of the notice period, the Member-Consumer's rate will be determined as the greater of:

- A. The charges for Default Service plus the applicable Retail Access Service rate, or
- B. 110% of the applicable Full Requirements Service Rate.

2.6.2 A Member-Consumer, having given notice of its intent to return to Full Requirements Service under Section 2.6.1, will receive Cooperative Default Service if, at any time during the notice period, it discontinues purchasing Generation Service from an AES.

2.6.3 A Member-Consumer taking Default Service under the provisions of Section 2.6.2 may switch to another AES as provided in Section 2.4 at any point during the period that they are on Default Service.

(Continued on Sheet No. E-1.13)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.12)**

- 2.6.4 The AES shall transmit a Member-Consumer Drop Request to the Cooperative via a Uniform Data Transaction when the Member-Consumer requests return to Full Requirements Service or when AES service is not being continued for any reason. The AES shall inform the Member-Consumer of the Drop Request in writing.
- 2.6.5 The Cooperative will normally validate a Drop Request within three (3) business days of the receipt of the Drop Request and will transmit a Drop Response to the AES. As part of the validation process, the Cooperative will notify the Member-Consumer in writing that a Drop Request has been received and is being processed.
- 2.6.6 The Switch from AES to Full Requirements Service will be processed on the next meter read date after the AES submits the necessary Drop Request to the Cooperative, provided that the requirements of Section 2.6.1 are met. If the requirements of section 2.6.1 are not met, then the Member-Consumer will be switched to Cooperative Default Service until said requirements are met. The Switch shall occur at midnight (00:00) local time at the beginning of the effective date.
- 2.6.7 A Member-Consumer returning to Full Requirements Service must remain on such service for the minimum term stated in the applicable Full Requirements Service tariff, but not less than twelve (12) months.
- 2.6.8 In the event of Slamming from Full Requirements Service, a Member-Consumer who desires to return to Full Requirements Service may do so. The Cooperative will waive the twelve (12) month minimum term requirements. The Cooperative's Default Service does not apply to such Member-Consumers.

(Continued on Sheet No. E-1.14)

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RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.13)

2.6.9 In the event a Member-Consumer is dropped by the AES due to the bankruptcy of the AES or upon the complete withdrawal of the AES from the Relevant Market, the Member-Consumer may receive Default Service from the Cooperative for not more than three (3) full billing cycles. By the end of that time period, the Member-Consumer must either have a Switch Request completed on their behalf as provided in Section 2.4, or give notice of its intent to return to Full Requirements Service as provided in Section 2.6.1. A Member-Consumer that does not arrange for Generation Service from a different AES or give notice of its intent to return to Full Requirements Service within three (3) months shall be disconnected.

2.7 Billing and Payment

- 2.7.1 The Cooperative will bill the Member-Consumer for Retail Access Service as outlined in Section 3.3 of this tariff.
- 2.7.2 The Member-Consumer shall pay the Cooperative the amount billed by the Cooperative on or before a due date established by Member-Consumer billing rules approved by the Commission in accordance with the Commission's consumer standards and billing practices, R 460.3901 et seq., as amended, for nonresidential Consumers.
- 2.7.3 Where incorrect billing results from an error discovered by either the Cooperative, the AES or the Member-Consumer, the error will be corrected and revised bills, as appropriate for the Member-Consumer and/or AES, will be calculated and settled on the next billing period after the error is discovered. Billing errors discovered by the Cooperative shall be adjusted as provided for in the Commission's applicable billing rules.

(Continued on Sheet No. E-1.15)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.14)**

2.8 Disconnection of Service

The Cooperative is the only Person allowed to physically disconnect service to a Member-Consumer. Disconnection of service to a Member-Consumer for non-payment of the Cooperative's bill or for any violation of the Cooperative's tariffs shall be in accordance with applicable Commission rules and Cooperative tariffs. The Cooperative shall notify the AES in writing of the intent to disconnect and the date and time of actual disconnection. The Cooperative shall not be liable for any losses to the AES due to disconnection.

(Continued on Sheet No. E-1.16)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.15)**

3.0 ALTERNATIVE ELECTRIC SUPPLIER SECTION

3.1 Availability

The AES will not be eligible to enroll Member-Consumers unless and until the following conditions have been satisfied and continue to be satisfied. The AES has sole responsibility for conditions 3.1.1, 3.1.2, and 3.1.3. The Cooperative will check and verify conditions 3.1.4 and 3.1.5.

- 3.1.1 The AES has been granted a license by the Commission.
- 3.1.2 The AES has obtained and maintains a Member-Consumer-signed Enrollment indicating that the Member-Consumer has chosen to switch its Generation Service to the AES.
- 3.1.3 The AES has executed agreements with the appropriate Transmission Service Provider(s).
- 3.1.4 The AES has demonstrated its capability to meet the Cooperative's defined standards and protocols for Uniform Data Transactions.
- 3.1.5 The AES has executed a Retail Access Service agreement (which may include, but is not limited to, a portfolio of Member-Consumers, negotiated services, etc.) with the Cooperative and complied with the Cooperative's Member-Consumer enrollment requirements to prevent Slamming.

3.2 Switch and Drop Requests

- 3.2.1 Switch Requests and Drop Requests will be handled in accordance with Section 2.4 of this tariff and will be accepted for processing by the Cooperative.

(Continued on Sheet No. E-1.17)

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RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.16)

3.2.2 When a Member-Consumer requests to discontinue receiving Generation Service from the AES or when the AES's service is being discontinued for any reason, the AES shall transmit a Member-Consumer Drop Request to the Cooperative via a Uniform Data Transaction within no more than three (3) business days.

3.3 Billing

3.3.1 Unless otherwise agreed, the Cooperative and the AES will separately bill the Member-Consumer for the respective services provided by each. The Member-Consumer will receive separate bills for services provided and is responsible for making payments to the Cooperative for service provided in accordance with requirements of the Cooperative as set forth in the applicable billing rules and Commission approved tariffs.

3.3.2 The Cooperative may elect to offer a service where it bills the Member-Consumer for services that the Cooperative provides as well as services provided by the AES. If the Cooperative bills for AES charges, the following conditions will apply:

- A) The Cooperative and the AES must have entered into a billing agreement that specifies the terms and conditions under which such billing will occur.
- B) Any discrepancies in charges collected and remitted will be corrected and reflected in the subsequent billing cycles.
- C) Payments received from or on behalf of a Member-Consumer shall be applied in the following order:
 - 1. To the Member-Consumer's past due balance owed the Cooperative,
 - 2. To current balances due the Cooperative,
 - 3. To current balances due the Cooperative for other charges such as facilities or loan agreements, and
 - 4. To the AES for all balances due for services provided.

(Continued on Sheet No. E-1.18)

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RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.17)

- D. Optional Services (i.e., billing and remittance processing, credit and collections, meter read information, Member-Consumer information, etc.) may be provided by the Cooperative pursuant to terms negotiated with the AES, and shall be offered on a non-discriminatory basis. Amounts owed to the Cooperative by an AES may be deducted from the AES's Member-Consumer payments received by the Cooperative prior to remittance to the AES.
- E. The Cooperative will not pursue collections action for any AES.
- 3.3.3 Unless otherwise specified by the Cooperative, all payments made to the Cooperative by the AES will be made by electronic funds transfer to the Cooperative's account.

3.4 Terms and Conditions of Service

- 3.4.1 The AES is responsible for providing Power to be transmitted by the appropriate Transmission Service Provider(s) to the Cooperative's Distribution Point of Receipt. The AES shall meet all obligations necessary to schedule Power to match the Member-Consumer's Load, subject to energy imbalance charges and penalties in accordance with the terms of the OATT of the Transmission Service Provider(s).
- 3.4.2 Retail Access Service may not commence until metering has been installed as specified in this Tariff as outlined in Section 2.5.
- 3.4.3 The AES will provide to the Cooperative or the Cooperative's designated recipient daily energy schedules for all services including losses associated with use of the Distribution System. The AES will provide verification that it has arranged for and scheduled transmission service to deliver Energy, the energy schedule has been approved by the Transmission Service Provider(s), and the AES has covered losses on the Transmission System(s).

(Continued on Sheet No. E-1.19)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.18)**

- 3.4.4 The AES will pay the Cooperative under applicable tariffs for all applicable ancillary services, emergency energy services, standby and backup services provided by the Cooperative to the AES for the AES's Member-Consumer(s) from the service commencement date to the service termination date.
- 3.4.5 The Cooperative shall bill the AES for all associated switching fees incurred as a result of Slamming by the AES plus the actual administrative cost incurred for switching a slammed Member-Consumer from one rate service to another.
- 3.4.6 An AES shall not resell Member-Consumer account information or transfer it to other parties for any other purpose. The Cooperative will only release Member-Consumer data to the Member-Consumer or its authorized representative, which may be the AES.

3.5 Distribution Power Losses

The AES is responsible for replacing losses associated with the delivery of Power to the Member-Consumer's meter. The amount that the AES shall cause to be delivered to the Cooperative's Distribution System will be the amount of Power delivered at the Member-Consumer meter plus an amount to reflect loss factors. For calendar year 2004, the loss factors were:

Secondary Service	12%
Primary Service	4.8%
Primary Substation Service	0

Please contact the Cooperative to obtain the applicable loss factors for the current billing period.

(Continued on Sheet No. E-1.20)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.19)**

4.0 DISPUTE RESOLUTION

- 4.1 The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs and Member-Consumers.
- 4.2 The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs or Member-Consumers and their Transmission Service Provider(s). Disputes involving a Transmission Service Provider's OATT shall be resolved using the dispute resolution procedures as described in the OATT.
- 4.3 In the event the AES has a dispute over the implementation of the Cooperative's Retail Access Service, then the AES shall provide the Cooperative with a statement of the dispute and the proposed resolution to the designated Cooperative contact. Upon receipt of the statement of dispute, the Cooperative shall attempt to resolve the dispute according to the following process:
- 4.3.1 The Cooperative will investigate the dispute and attempt to resolve the dispute informally in a manner that is satisfactory to both parties within five (5) business days of initial receipt of the statement of dispute.
- 4.3.2 If the dispute is not resolved in five (5) business days, the parties shall attempt to resolve the dispute by promptly appointing a senior representative of each party to attempt to mutually agree upon a resolution. The two senior representatives shall meet within ten (10) business days. If the two senior representatives cannot reach a resolution within a 30-day period, the dispute may, on demand of either party, be submitted to arbitration as provided in this section.
- 4.3.3 The dispute, if mutually agreed by the parties, may be submitted for resolution in accordance with the American Arbitration Association ("AAA") commercial arbitration rules. The judgment rendered by the arbitrator may be enforced in any court having jurisdiction of the subject matter and the parties.

(Continued on Sheet No. E-1.21)

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**RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.20)**

- 4.3.4 The arbitrator may be determined by AAA.
- 4.3.5 The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties, except as otherwise provided by law. Any award shall specify the manner and extent of the division of the costs between the parties.
- 4.4 Nothing in this section shall restrict the rights of any party to seek resolution of the dispute with the appropriate regulatory agency with jurisdiction.

(Continued on Sheet No. E-1.22)

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RETAIL ACCESS SERVICE TARIFF
(Continued from Sheet No. E-1.21)

5.0 LIABILITY AND EXCLUSIONS

- 5.1 In no event will the Cooperative or its suppliers be liable under any cause of action relating to the subject matter of this tariff, whether based on contract, warranty, tort (including negligence), strict liability, indemnity or otherwise for any incidental or consequential damages including but not limited to loss of use, interest charges, inability to operate full capacity, lost profits or claims of AESs or Member-Consumers.
- 5.2 The Cooperative will not be liable to an AES or Member-Consumer for damages caused by interruption of service, voltage or frequency variations, single-phase supply to three-phase lines, reversal of phase rotation, or carrier-current frequencies imposed by the Cooperative for system operations or equipment control, except such as result from the failure of the Cooperative to exercise reasonable care and skill in furnishing the service.
- 5.3 In no event will Cooperative be liable to an AES or Member-Consumer for loss of revenue or other losses due to meter or calculation errors or malfunctions. The Cooperative's sole obligation and the AES's or Member-Consumer's sole remedy will be for the Cooperative to repair or replace the meter and prepare revised bills as described in Section 2.7.3.

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**RETAIL ACCESS STANDBY SERVICE
SCHEDULE RASS**

Availability

This schedule is available on a best efforts basis only to Member-Consumers of the Cooperative receiving service under the Large Power Service Rates-Choice, Schedule LP-Choice or Schedule LP-1-Choice. This is in addition to the Member-Consumer's applicable Choice tariff.

Nature of Service

Service under this schedule is only available on a best efforts basis to the Member-Consumer when an Alternative Electric Supplier (AES) has ceased service to the Member-Consumer. The Member-Consumer may arrange to return to Full Requirements Service by following the procedures detailed in the Cooperative's *Retail Access Service Tariff*, subject to the terms and conditions set forth in said tariff.

Standby Service under this schedule does not include net under- or over- deliveries of Energy that result when Energy is delivered on behalf of a Member-Consumer but deviates from the Member-Consumer's scheduled Energy requirements plus applicable provisions for line losses. Any change in the Member-Consumer's Energy schedule must be reported to the Transmission Service Provider according to the provisions in the applicable Open Access Transmission Tariff (OATT). These charges represent Schedule 4 ancillary services and will be summarized each month with payment to the Member-Consumer or due from the Member-Consumer per the calculation.

Charges for Service

The charges for this service shall be equal to the Cooperative's out-of-pocket cost of standby power delivered to the Member-Consumer, plus a service fee of one-cent (\$0.01) per kWh delivered to the Member-Consumer.

The Cooperative's out-of-pocket cost shall be equal to the amount it is billed by its wholesale supplier for Standby Service delivered to the Member-Consumer.

(Continued on Sheet No. E-2.01)

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**RETAIL ACCESS STANDBY SERVICE
SCHEDULE RASS
(Continued from Sheet No. E.-2.00)**

Terms of Payment

Monthly bills for Standby Service rendered by the Cooperative are due and payable on or before the due date listed on the bill.

The above rates are net. A one-time late payment charge of two (2%) percent of the unpaid balance, excluding sales tax, will be assessed on any bill for Standby Service not paid by the due date

The Cooperative will not collect any monies on behalf of any AES, retailer or other third party without a written agreement between the Cooperative, the Member-Consumer and the third party.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member Consumer and any third party.

Tax Adjustment

1. Bills shall be increased or decreased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases or decreases.
2. Bills shall be adjusted to offset any new, increased or decreased specific tax or excise imposed by any governmental authority, which increases or decreases the Cooperative's cost of providing electric service.

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**SECTION F
STANDARD CUSTOMER FORMS INDEX**

(To be inserted at a later date)

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