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2025 SERVICE RULES AND REGULATIONS

Updated as of June 2025, Board approved June 26, 2025

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SERVICE RULES AND REGULATIONS

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Rule 1. Definitions

The definitions set forth below shall be applicable to the Cooperative's service rules and regulations:

- (A) The word "Commission" shall mean the Indiana Utility Regulatory Commission.
- (B) The word "Cooperative" shall mean Jasper County Rural Electric Membership Corporation.
- (C) The word "consumer" shall mean any person, firm, corporation, municipality or other government agency that has agreed, orally or otherwise, to pay for electric service received from the Cooperative and it includes members of the Cooperative and non-member patrons.
- (D) The word "disconnection" shall mean the termination or discontinuance of electric service.

Rule 2. Meters; Location

All meters shall be located outdoors where they are easily accessible for reading, maintenance, testing and other activities as required by the Cooperative.

- (A) The Cooperative, in its sole discretion, may install a remote disconnect meter. No alterations shall be made by Consumer or others to impede remote two-way meter communications.
- (B) Final approval of meter locations shall be made by the Cooperative.
- (C) The Cooperative will provide the meter number that serves the individual consumer's premises on the monthly billing statement.

Rule 3. Meters; Testing Equipment and Facilities; Reference and Portable Standards

- (A) Equipment and Facilities. The Cooperative shall have meter testing equipment and facilities available to make the tests set forth in these rules.

- (B) Reference Standards. The Cooperative shall have available suitable meter testing equipment (hereinafter called “reference standards”) as may be necessary for testing the accuracy of watthour meters. Reference standards of all kinds shall be tested and adjusted, if necessary, at least once every two years by a recognized standardizing laboratory.
- (C) Portable Standards. All portable watthour meter standards shall be maintained as per Reference Standards stated in this rule of this document.
- (D) Portable Indicating Instruments. All portable indicating electrical testing instruments, such as voltmeters, ammeters and wattmeters will be used with best known metering practices.
- (E) Records of Instrument Certification and Calibration. Records of certification and calibration for Reference and Portable Standards shall be kept on file at the Cooperative or at such other locations as may be designated by the Cooperative.

Rule 4. Meters; Testing

- (A) In Service. Meters in service will be tested using the portable standard and meters shall be tested periodically at least every sixteen (16) years.
- (B) By Request. The Cooperative will test the accuracy of a meter at no cost to the consumer upon request by a consumer. A second test may be requested by the consumer within twelve months following the first test. If the second test demonstrates an accurate meter, the consumer shall bear the cost of the second test including labor, transportation and any other Cooperative cost associated with the test. Thereafter, the consumer may be required to bear the full cost of any subsequent tests of this meter if requested at less than thirty-six (36) month intervals if no error is found. A report giving the results of such tests shall be made available to the consumer and a complete record of the same shall be kept by the Cooperative in accordance with these Rules and Regulations.

Rule 5. Meters; Records

- (A) Meter Test Record. Whenever any meter is tested, a record will be preserved containing the information necessary for identifying the meter, the reason for making the test, the reading of the meter before the test and the result of the test, together with all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the methods employed.
- (B) Multiplier Record. If the meter does not read directly in kWh consumed or demand units, the multiplier for the meter readings shall be recorded at time of installation and checked as the Cooperative deems necessary.
- (C) Instrument Transformer Record. Where instrument transformers are used for metering, the ratio of transformation and phase angle error of the transformers must be

determined before installation, and such information shall be kept on file in the office of the Cooperative.

- (D) Meter Record. Records shall be kept for each meter owned or used by the Cooperative, the year of purchase, its identification and the record of the last test to which it has been subjected, with date and general results of the test. These records apply to all meters insofar as the information is available.
- (E) Record Retention. All records will be kept for a duration in accordance with best standards and practices, RUS Administrative Bulletins and Board Policy A-20, which may be amended or replaced from time to time in the sole discretion of the Board of Directors of Cooperative.
- (F) Manual Meter Reading. Consumers taking service under the R-1 rate schedule may elect to have the AMI Smart Meter manually read by the Cooperative. The AMI Smart Meter will be installed, but it will have all digital radio frequency signal communication functionality turned off upon the consumer's request.
 - (1) Manual Meter Reading Charge. If consumer does not permit Cooperative to utilize all functionality of an AMI Smart Meter on the consumers' Premise, Cooperative shall charge consumer the Manual Meter Reading Charge set forth on Appendix B of Cooperative's rate schedule per service location each month to recognize the cost of manually reading the meter. This includes a consumer who communicates to the Cooperative that enabling the meter is refused; does not timely respond to the Cooperative's request to schedule an AMI meter installation; fails to complete the installation appointment; or otherwise does not allow the Cooperative to use the AMI Smart Meter for the consumer's service. The charge shall cease to be applied once the Smart Meter is fully enabled and Cooperative receives the first automatic reading from the meter.
 - (2) Other Charges. All other fees and charges apply to the consumer's account as stated in the R-1 rate schedule and Appendix A & B.

Rule 6. Bills

- (A) Bills rendered periodically to consumers for electric service will include the following information:
 - (1) the dates and meter readings of the meter at the beginning and end of the period for which the bill is rendered and the billing date;
 - (2) the billing rate;
 - (3) the number and kind of units of service supplied;
 - (4) the facility or minimum charge, if applicable;
 - (5) the previous balance, if any;
 - (6) the amount of the bill;
 - (7) the sum of the amount of the bill and the late payment charge;

- (8) the date when the bill becomes delinquent and the date the late payment charge will be added to the bill;
 - (9) if an estimated bill, clear and conspicuous coding or other indication identifying the bill as an estimated bill;
 - (10) statements or actual figures informing the consumer of the seventeen (17) day non-penalty period;
 - (11) the scheduled disconnect date if a past due bill; and
 - (12) The meter number(s) associated with the electric service.
- (B) For residential and general service consumers, a bill for services shall be delinquent unless payment is received within seventeen (17) days after the bill is postmarked. If such a bill is not paid within said seventeen (17) days, the delinquent bill will be assessed a late payment charge equal to ten percent (10%) of the first three dollars (\$3) and three-percent (3%) of the excess of three dollars (\$3). If any delinquent balance exists, all payments the Cooperative receives shall first be applied to such delinquency. For all other consumer classes, the late payment charge shall be five percent (5%) of the current bill unless the consumer's contract for service establishes different terms.
- (C) The Cooperative may estimate a consumer bill due to:
- (1) inclement weather;
 - (2) labor disputes;
 - (3) inaccessibility of a consumer's meter, if the Cooperative has made a reasonable attempt to read it; or
 - (4) other circumstances beyond the control of the Cooperative, its agents, or employees.
- (D) Budget Billing. The Cooperative will offer an alternative billing plan on a residential account which allows an applicant or consumer to contract for billing whereby the Cooperative averages the estimated bill over an extended period and balances the account at the end of that period. In the event the member's account does not have a 12-month history prior to electing the alternative billing plan, the Cooperative may make reasonable efforts to estimate the 12-month usage. A consumer who elects this option shall execute an agreement for Budget Billing in a form to be provided by the Cooperative.
- (E) Prepaid Billing. The Cooperative offers a Prepaid program which allows consumers to pay for their electric use before consumption. A digital bill will be produced monthly for the consumer to access through SmartHub web and the SmartHub app. The consumer will agree to not receive a printed bill. A consumer who elects this option shall execute an agreement for Prepaid Electric Service in a form to be provided by the Cooperative.

Rule 7. Billing Adjustments

- (A) Adjustments Due to Meter Errors. If any service meter, after being tested as provided in these rules, is found to have an error that has impacted the consumer's bill, the bills for service shall be adjusted as follows:
- (1) Stopped Meters. If a meter has stopped, the Cooperative may charge the consumer for the average kilowatt hours and/or demand units for one-half of the period since the last previous test or one year, whichever is shorter. The amount of the charge to the consumer shall be estimated on the basis of either
 - (i) an average bill as herein below described or
 - (ii) separate bills individually adjusted for the percent of error.
 - (iii) An average bill shall be calculated on the basis of kilowatt hours and/or demand units registered on the meter over corresponding periods either prior or subsequent to the period for which the meter is determined to have stopped. The Cooperative may charge the consumer for such amounts even though the Cooperative knowingly allowed the stopped meter to remain in service.
- (B) Other Billing Adjustments. Any and all other billing errors, including incorrect rate or rate schedule applications, shall be adjusted to the known date of error or for a period of one year, whichever period is shorter.
- (C) Down rating of Existing Large Power Transformer Banks.
- (1) A consumer whose service is subject to the Large Power Rate Schedule may request a prospective reduction in the kVA rating of its transformer bank if the following conditions are met:
 - (i) The consumer's peak demand for the previous eighteen (18) months at no time shall have exceeded the requested reduced rating.
 - (ii) The consumer acknowledges the REMC's right to replace the existing transformer bank with one having a rating equal to or greater than the "new" rating.
 - (iii) The "new" rating shall be equal to a readily available transformer bank rating, but not less than 75 kVA.
 - (2) Should consumer's demand ever exceed the "new" rating, the REMC shall institute a revised higher kVA rating.
 - (3) The consumer may not apply for a further reduction in rating of that transformer bank in the future after adjustments per (C)(2) have been made.
 - (4) If after the REMC replaces a transformer bank pursuant to these rules and the consumer requires a transformer bank of a higher rating, the consumer shall pay the costs incurred in the replacement.
 - (5) Any change in monthly minimums shall be made effective as of the beginning of the next appropriate billing cycle.

Rule 8. Creditworthiness of Consumers; Deposits; Refunds

- (A) General Requirements. The Cooperative shall determine the creditworthiness of an applicant or consumer in an equitable and nondiscriminatory method without regard to the economic character of the area (or any part thereof) wherein the applicant or consumer resides and shall determine the creditworthiness solely upon the credit risk of the applicant or consumer without regard to the collective credit reputation of the area in which he/she lives.
- (B) Deposits; Prepaid Accounts. Consumers choosing to use the Prepaid program will not be required to provide a deposit regardless of creditworthiness at time of enrollment. If the Consumer discontinues the Prepaid program, a deposit may be required based on creditworthiness at that time.
- (C) Deposits; New Applicants. Each new applicant for residential service or general utility service shall complete and submit a membership form, present valid U.S. issued identification if required by Cooperative, and pay a deposit of one-sixth (1/6) of the projected annual billing for the account or give consent for the Cooperative to request a credit history for the consumer from a credit reporting service utilized by the Cooperative. If the applicant has been a consumer of the Cooperative in the past twelve (12) months with a satisfactory payment history, the applicant shall be deemed creditworthy and shall not be required to make a deposit as a condition of receiving service if the applicant does not have an outstanding delinquency owed the Cooperative.
- (1) Any applicant who refuses or fails to establish creditworthiness shall be charged a deposit in accordance with the deposit rules.
 - (2) If any new applicant is required to provide a deposit as a result of the credit history report, the amount of the deposit shall be based on the credit history report and the resulting deposit may range from seventy dollars (\$70) to a maximum of one-sixth (1/6) of the projected annual billing for the account.
 - (3) If any applicant is requesting a new service at a location with no billing history and a deposit is required, then the deposit shall be based on the credit history report and shall range from a minimum of seventy dollars (\$70) up to two hundred dollars (\$200).
 - (4) If the Cooperative denies or disconnects service or requires a deposit as a condition of providing service, it will promptly advise the applicant of the facts upon which it based its decision.
 - (5) If any new applicant or consumer satisfies the above criteria, and no deposit is required, but said applicant becomes delinquent on any amount owed the Cooperative within six (6) months after service to applicant commences, the Cooperative may require payment of a deposit within ten (10) days or service may

thereafter be disconnected, upon five (5) days' notice, until said deposit and the outstanding delinquency are paid.

- (6) In the event a deposit is required that is greater than seventy dollars (\$70), the Cooperative shall advise the applicant or consumer at the time a demand is made for the deposit that the applicant or consumer may pay such deposit in installment payments. The applicant or member must pay a minimum of seventy dollars (\$70) to start service and the remaining deposit balance may be paid over a period of no more than sixty (60) days, or different terms at the discretion of Cooperative, and that service will be connected upon receipt of the first such payment.

(D) Deposits; Present Consumer.

- (1) If an existing consumer has any outstanding delinquency owed to the Cooperative or fails to establish that he/she is creditworthy, the consumer may be required to make a deposit. Such deposit shall be at least seventy dollars (\$70) or one-sixth (1/6) of the estimated annual billings to be rendered to the applicant, whichever is greater. If service has been disconnected due to nonpayment, service shall be reconnected upon receipt of the deposit, the outstanding balance, and any other applicable fees.
- (2) Notwithstanding any other provision in these Service Rules and Regulations, the Cooperative may require any present consumer to make a deposit if the consumer has been delinquent for two (2) consecutive months or any three (3) months within the preceding twelve (12) month period, if the consumer is delinquent for at least sixty (60) days on any amount due the Cooperative, or when the service has been disconnected pursuant to the rules for non-payment.

The amount of such deposit shall be at least one-sixth (1/6) of the estimated annual billings for the consumer at the address at which service is rendered.

- (3) Any required deposit for an existing consumer shall be shown on the next monthly bill. If the deposit exceeds seventy dollars (\$70), the total deposit will be split over the following three (3) consecutive bills. Failure to pay any portion of the required deposit as scheduled will result in service thereafter being disconnected upon five (5) days' notice until said deposit and any outstanding delinquency is paid.

(E) Deposits; Interest.

- (1) Residential, general service and large power deposits held more than twelve (12) months shall earn interest from date of deposit at a rate of one-and-a-half percent (1.5%) simple annual interest to be applied annually to the consumer's bill or at time of deposit refund.
- (2) No deposit shall earn interest after the date the deposit is credited to the consumer.

(F) Deposits; Refunds.

- (1) Any residential deposit or accrued interest shall be refunded by applying the funds to the consumer's account as a bill credit promptly along with a statement accounting for each transaction involving the deposit and interest, upon satisfactory payment by the consumer for a period of nine (9) consecutive months or ten (10) of the past twelve (12) months provided that the consumer did not make late payments in any two (2) consecutive months. Such accounts with deposits shall be reviewed regularly or upon the request of the consumer.
- (2) Following consumer-requested termination of service:
 - (i) The Cooperative shall apply the deposit plus accrued interest, if applicable, to the final bill, or
 - (ii) Upon specific request from the consumer, the Cooperative shall refund the deposit plus accrued interest, if applicable, within thirty (30) days after payment in full of all amounts due the Cooperative through the final bill.
- (3) The Cooperative will maintain a record of each applicant or consumer making a deposit which shows:
 - (i) the name of the consumer;
 - (ii) the current address of the consumer so long as he/she maintains an active account with the Cooperative in his/her name;
 - (iii) the amount of the deposit;
 - (iv) the date of the deposit; and
 - (v) a record of each transaction affecting such deposit.
- (4) Each consumer shall be provided a receipt or statement on the following bill from the Cooperative after the deposit is paid in full or he/she makes a partial payment. The Cooperative will provide a record of the deposit and payments at a later date if requested.
- (5) Any deposit made by the applicant, consumer, or any other person to the Cooperative (less any lawful deductions), or any sum which the Cooperative is ordered to refund for utility service, which has remained unclaimed for two (2) years shall be presumed abandoned and shall become a general asset of the Cooperative in the year such deposit is presumed abandoned in accordance with the laws of the State of Indiana.
- (6) A deposit may be used by the Cooperative to cover any unpaid balance following disconnection of service pursuant to these rules or applied toward any delinquency billed by the Cooperative; provided, however that any surplus be returned to the consumer as provided in this rule.

(G) Deposits; Large Power, Commercial.

Any individual, partnership, closely held corporation, limited liability company, limited liability partnership, non-profit corporation or General Stockholders Corporation making application for membership and requesting non-residential electric service from the Cooperative who does not have an established credit history or who is unable to demonstrate to the Cooperative, in the sole discretion of the Cooperative, that the applicant is creditworthy, shall be required to pay a deposit or provide other acceptable security.

- (1) If a deposit is necessary for a large power or commercial business account, the business has the option to provide one of the following;
 - (i) A cash deposit in an amount reasonably determined by the Cooperative but in no case less than one-sixth (1/6) of the estimated annual billings for the consumer.
 - (ii) An irrevocable letter of credit from a bank or other lending institution promising payment in the event the applicant defaults in a form acceptable to the Cooperative. (Letter must contain a 30-day written notification of cancellation clause.)
 - (iii)
- (2) A guarantee of payment from a creditworthy affiliate of the company asking for service in a form acceptable to the Cooperative. The Cooperative will evaluate the creditworthiness of the affiliate proposing to furnish such guarantee and determine, in its sole discretion, whether such guarantee is acceptable in lieu of a cash deposit. The member or Applicant and the affiliate will furnish such information as is reasonably required by the Cooperative to perform such credit analysis. Notwithstanding any other provisions in this Rule 8, deposits paid by members and Applicants for non-residential service shall not be refunded except upon member-requested termination of service of all non-residential accounts/service locations and upon payment in full of all amounts due the Cooperative for all non-residential accounts/service locations through the final bill(s)

Rule 9. Payments; Consumer

Payments for any service or product billed by the Cooperative shall be paid with check, cash, credit card, cashier's check, money transfer or other applicable means in a timely manner by the consumer.

- (A) Non-Sufficient Funds. If a consumer issues two (2) Non-Sufficient Funds (NSF) checks or a payment is returned by the financial institution within a rolling twelve (12) months of service, such consumer will be required to make payments in some way other than check until there is only one NSF in the rolling twelve (12) months. If there is one (1) or less NSF checks in the rolling twelve (12) months, the consumer may pay the Cooperative via check.
- (B) Credit Card. The Cooperative reserves the right to charge consumers a convenience fee for credit card payments.

- (C) Auto-Pay. An Auto-Pay program is available to consumers. Auto-Pay is accepted via draft from credit card or banking account.
- (D) Pledge. Payments may be pledged by Township Trustee, church or other organization recognized by the Cooperative and applied to the consumer's account.

Rule 10. Disconnection of Electric Service; Standard, Remote

- (A) The consumer shall notify the Cooperative at least three (3) working days in advance of the day disconnection of electric service is desired. The consumer shall remain responsible for all service used and the billings therefore until service is disconnected pursuant to such notice.

Upon request by a consumer of the Cooperative to disconnect service, the Cooperative shall disconnect the service within three (3) working days of the requested disconnection date. The consumer shall not be liable for any service rendered to such address or location after the expiration of three (3) such days.

- (B) The Cooperative may disconnect electric service without request by the consumer of the service and without prior notice:
 - (1) if a condition dangerous or hazardous to life, physical safety or property exists; or
 - (2) upon order by any court or other duly authorized public authority; or
 - (3) if fraudulent or unauthorized use of electricity is detected and the Cooperative has reasonable grounds to believe the affected consumer is responsible for such use; or
 - (4) if the Cooperative's regulating or measuring equipment has been tampered with and the Cooperative has reasonable grounds to believe that the affected consumer is responsible for such tampering; or
 - (5) if the consumer has installed generation or fuel cells without proper double throw switches or similar Cooperative approved switching mechanisms to isolate the system and to protect against electric current being back-fed to the Cooperative's distribution system.

In all other instances the Cooperative may disconnect service subject to the provisions of these service rules and regulations.

In the event the Cooperative determines there is evidence that fraudulent or unauthorized use of electricity, meter tampering, or theft has occurred, a service fee including labor, transportation and any other Cooperative costs to investigate the meter tampering/electrical theft will be charged to the consumer. Payment of any service or reconnect fees and satisfactory payment arrangements must be made with the Cooperative for the unmetered electricity usage.

- (C) For non-prepaid residential electric service consumers, except as otherwise provided in the subsections of this rule, the Cooperative will postpone the disconnection of service for up to ten (10) days if, prior to the disconnect date specified in the disconnect notice, the consumer provides the Cooperative with a medical statement from a licensed physician or public health official which states that disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the consumer and specifies the type or form of life support system being used for which electricity is required. The postponement of disconnection shall be continued for one additional ten (10) day period upon the provision of an additional such medical statement.

The consumer shall submit a request from their doctor to be added to the Cooperative's "Critical List" for persons requiring electrically powered medical equipment. Appearing on the Critical List does not relieve the consumer from the responsibility of making on-time payments on his or her electric bill. The Cooperative will follow disconnect for non-pay procedures per this document and related policies regardless of status on the Critical List.

- (D) The Cooperative may not disconnect electric service to the non-Prepaid consumer:

- (1) if the consumer shows cause for his inability to pay the full amount due (financial hardship shall constitute cause), and the consumer:

- (i) pays a reasonable portion of the bill; and
- (ii) agrees to pay the remainder of the outstanding bill within three (3) months; and
- (iii) agrees to pay all undisputed future bills for service as they become due; and
- (iv) has not breached any similar agreement with the utility made pursuant to this section within the past twelve (12) months.

Provided, however, the Cooperative may add to the outstanding bill a late payment charge not to exceed the amount set pursuant to these rules and regulations. Provided further, that the terms of the agreement shall be put in writing by the Cooperative and be signed by the consumer and by a representative of the Cooperative if deemed necessary.

- (2) If a consumer is unable to pay a bill, which is unusually large due to a prior incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection or functioning of the meter, prior estimates where no actual reading was taken for over two months, stopped meters, or any human or mechanical error of the Cooperative, and the consumer:

- (i) pays a reasonable portion of the bill, not to exceed an amount equal to the consumer's average bill for the six (6) bills immediately preceding the bill in question;
- (ii) agrees to pay the remainder within a reasonable period of time; and
- (iii) agrees to pay all undisputed future bills for service as they become due;

Provided, however, that the Cooperative may not add to the outstanding bill any late fee. Provided, further, that the above terms of agreement shall be put in writing by

the Cooperative and signed by the consumer and a representative of the Cooperative if deemed necessary.

- (E) The Cooperative will disconnect service during its normal business days between the hours of 7:30 a.m. and 3:00 p.m., except that disconnections pursuant to subsection (B) of this rule are not subject to this limitation.

Except for consumers who have elected Prepaid Electric Service, the Cooperative will not disconnect service for nonpayment on any day, or beyond twelve noon (12:00 noon) of the day immediately preceding any day, on which the Cooperative's office is not open to the public.

- (F) Except as otherwise provided herein, electric service to any non-prepaid residential electric service consumer shall not be disconnected for a violation of any service rule or regulation of the Cooperative or for the non-payment of a bill, except after notice to such consumer based upon the following procedure:

- (1) A bill is due on the 17th of the month. On or after the 19th day of the month the Cooperative shall contact the consumer that such bill is delinquent and subject to disconnect fourteen (14) days after notice is provided.

- (2) The disconnect notice may be included on the consumer's next monthly billing.

The notice should be in language which is clear, concise, and easily understandable to a layman and shall state the telephone number of the Cooperative's office which the consumer may call during regular business hours in order to question the proposed disconnection or seek information concerning his/her rights.

Large Power, Industrial Service and other types of electric service other than residential and general service shall be notified that such account is past due and subject to disconnection in seven (7) days without further notice.

- (G) In the event the Cooperative performs a manual disconnection at the consumer's premises, the employee of the Cooperative designated to perform the actual disconnection of service shall have information to inform the consumer or other responsible person the reason for disconnection, including the amount of any delinquent bill of the consumer, and shall request from the consumer any available verification that the outstanding bill has been satisfied or is currently in dispute pursuant to review. Upon the presentation of such credible evidence, service shall not be disconnected.

A field employee shall not accept payment in the field from the consumer, user, or other responsible person.

- (H) The Cooperative may charge a disconnection and reconnection fee, as determined and approved by the Cooperative's Board.

If the Cooperative disconnects service in violation of these service rules and regulations, service shall promptly be restored at no charge to the consumer.

The Cooperative will reconnect the service to the consumer or user as soon as reasonably possible but at least within one (1) working day after it is requested to do so if the consumer has satisfied the requirements of these service rules and regulations.

- (I) If the disconnection process is performed remotely (not manually at the consumer's premises), a notice will not be left on the consumers' premises.

Rule 11. Disconnection of Electric Service; Home Energy Assistance

- (A) For residential energy service only, consistent with applicable Indiana Codes without consumer request, the Cooperative will not, during the applicable moratorium period, disconnect electric residential service to a consumer who is receiving assistance under applicable Indiana Codes or similar state statutes.
- (B) During the moratorium period, the Cooperative may not disconnect service to a consumer if:
 - (1) The consumer's eligibility to receive benefits pursuant to IND. CODE § 4-4-33 is being determined by the department on aging and community services or its designee after the submission of a complete application for benefits by the consumer.
 - (2) The Cooperative has been so notified of approval of application in writing by the department of aging and community services or its authorized representatives.
- (C) This rule does not prohibit the Cooperative from terminating residential electric service upon the request of a consumer or under the following circumstances:
 - (1) If a condition dangerous or hazardous to life, physical safety, or property exists.
 - (2) Upon order by any court or other duly authorized public authority.
 - (3) If fraudulent or unauthorized use of electricity is detected, and the Cooperative has reasonable grounds to believe the affected consumer is responsible for such use.
 - (4) If the Cooperative's regulating or measuring equipment has been tampered with and the Cooperative has reasonable grounds to believe that the affected consumer is responsible for such tampering.
- (D) This rule does not relieve the consumer from the responsibility of making payments on his or her electric bill. The consumer should establish a payment agreement for any balance due amounts on the bill that occurred prior to the moratorium. The Cooperative may continue to seek collection of delinquent bills by normal means, including but not limited to letter, notices and telephone calls.

Rule 12. Service Curtailments; Power Supply Emergency

- (A) In the event the Cooperative encounters or anticipates a power supply disruption, fuel shortage, or transmission/distribution emergency, or any other situation that would render the Cooperative unable to meet existing and reasonably anticipated demands for electric service, which determinations shall be within the Cooperative's sole discretion, the Cooperative shall have the right to implement the curtailment procedures to forestall imminent and irreparable injury to life, property, or the electric system or to maintain and restore service to the extent possible under the circumstances. Curtailment may include interruption of selected distribution circuits.
- (B) The Cooperative reserves the right to suspend service at any time when necessary to make emergency repairs.
- (C) If advance notification is possible, Cooperative shall give notification of curtailment in the most effective manner possible and with as much advance notice as reasonably possible, considering the circumstances and the number of consumers to be notified.

Rule 13. Consumer Complaints

(A) Complaint Procedure.

- (1) A consumer may complain at any time to the Cooperative about any bill which is not delinquent at that time, deposit, disconnection notice, or any other matter relating to service. Upon receiving a complaint, the Cooperative's employees will promptly investigate such complaint, confer with the consumer when requested, and notify the consumer of the proposed disposition of the complaint. Any consumer with a complaint which is not satisfactorily resolved by staff may submit his/her complaint in writing to the CEO. The written complaint will be reviewed by the CEO and a response thereto provided to the consumer. If the consumer is not satisfied with the CEO's response, he/she may then ask to meet with the CEO to discuss the complaint. The meeting will be conducted consistent with the CEO's practices and/or Cooperative policies.
- (2) A consumer who is dissatisfied with the proposed disposition of his/her concern may request and receive information and assistance on the procedure to be followed for appearing before the Board of Directors to discuss his/her concern.

Rule 14. Line Construction

The Cooperative will follow applicable statutes, regulations and ordinances and applicable National Electric Safety Code (NESC) codes and American National Standards Institute (ANSI) standards in the construction and maintenance of electric facilities.

Rule 15. Idle Services

- (A) Definition. An idle service is a service that has not made any payment to the Cooperative and, in the sole discretion of the Cooperative, is not anticipated to be active in the near future, but continues to receive regular maintenance.

(B) Removal. Idle lines and services may be removed at the discretion of the Cooperative. The Cooperative will make every reasonable attempt to notify the most recent landowner of the possible retirement for the line or service. The consumer or landowner will have 30 days to respond to the notification. Should the Cooperative deem the line/service a hazard to the public, this notification process may be dispensed of or limited.

(C) Rebuilding.

- (1) When the line is removed and the consumer wants the service rebuilt, the consumer will pay the necessary costs to build the line.
- (2) If the consumer refuses removal of idle service and the Cooperative deems it necessary to replace poles, line and/or equipment for the safety of the system or public, the consumer will bear all costs so as to not put the cost burden on the membership. Cooperative will not leave idle service in place without replacement or repairs.

Rule 16. Extension of Distribution of Service Lines

(A) Cooperative's Responsibility.

- (1) Upon consumer's proper application for service in the form specified by Cooperative, payment of any required contribution in aid of construction, completion of any necessary Consumer Work, and granting of any required easements or rights-of-way to Cooperative, the Cooperative shall construct, own, operate and maintain the necessary electrical facilities for rendering service to the consumer's meter in the case of underground services, or weather-head in the case of overhead services.
- (2) The Cooperative will provide, at no cost to the consumer, either a 100 amp or 200 amp meter base. The consumer may choose to purchase a 320 amp or 400 amp meter base from the Cooperative.

(B) Consumer Responsibility.

- (1) Easements granting right-of-way, as designated by the Cooperative, must be furnished at no expense to the Cooperative if requested. Such right-of-way shall be cleared of trees and other obstructions to a width of 20 feet at the consumer's expense. The Cooperative shall not be responsible for damage to or removal of shrubs, trees, flowers, grass or lawn during the installation, removal or maintenance of the facilities.
- (2) No buildings, gardens or trees shall be placed on the right-of-way.
- (3) The consumer shall install the meter base.
- (4) For overhead installations, the consumer must provide and install the conduit and wire that runs from the meter base to the weather-head.

- (5) All existing underground wires, cables, pipes, tiles, etc., owned by the property owner shall be exposed or accurately flagged to identify location of such facilities. The Cooperative will work with the other utilities concerning their facilities, but assumes no liability for damage to property owner's facilities that were not exposed or accurately flagged.
- (6) Consumer shall provide sufficient conduit to accommodate the necessary electrical facilities for rendering service to the consumer's meter, as determined by the Cooperative.
- (7) For underground service installations, upgrades, or relocations, the Cooperative will determine the method for installing the underground facilities. The Cooperative retains the right to refuse a consumer's request for underground service where ground conditions prohibit digging.
 - i. If the Cooperative determines that boring is the proper method to install the underground facilities, the consumer shall perform all boring work (including any conduit installation and backfilling work relating to the bored area) necessary for Cooperative to install the underground electric facilities ("Consumer Work"). Upon request by the Cooperative, Member shall execute an agreement to indemnify and hold the Cooperative harmless from any claims, damages, or losses resulting from the Consumer Work.
 - ii. If the Cooperative determines that any method other than boring is the proper method to install the underground facilities, the Cooperative shall perform such work and the cost of the work will be included in the Estimated Cost of such extension.

(C) Upgrades, Alterations, Relocations.

- (1) If, at any time, the property owner builds a deck, shed, pool, or any other obstruction over the underground facilities, the Cooperative shall relocate the facilities to an accessible location. The property owner hereby agrees to pay all expenses for such relocation of facilities.
- (2) If a consumer upgrades or relocates his/her service because of additional load, the Cooperative, in its sole discretion, will determine whether it is necessary to upgrade its facilities to meet the new load requirements. The Cooperative will to determine what, if any, cost sharing may be required by the consumer.

(D) Construction diagrams are available to consumers and contractors in digital or printed form.

(E) Dusk-to-dawn lighting. Cooperative personnel, upon request of the consumer, will install dusk-to-dawn lighting if the existing facilities are suitable for installation of the light. If suitable facilities do not exist, the consumer will be required to pay costs incurred to install the required facilities.

- (F) Extensions. The Cooperative shall, upon proper applications for service in a form to be provided by Cooperative, for overhead and/or underground distribution facilities, provide necessary facilities for rendering adequate service, without charge for such facilities, when the estimated total revenue, less power costs, for a period of two-and-one-half (2 1/2) years to be realized by the Cooperative from permanent and continuing consumers on such extension (“Estimated 2 ½ Year Revenue”) is at least equal to the estimated cost of such extension (“Estimated Cost”).
- (1) Estimated 2 ½ Year Revenue shall be determined by the Cooperative in its reasonable judgment and shall consider current retail electric rates, the Cooperative’s most recent cost of service study, and other factors the Cooperative considers relevant. Estimated 2 ½ Year Revenue shall exclude the estimated retail electric charges that are designed to recover generation and transmission related costs.
 - (2) Estimated Cost shall be determined by the Cooperative in its reasonable judgment and shall include all necessary primary, secondary, and service line facilities except: (1) a 100 amp or 200 amp meter base; (2) one single phase transformer; and (3) the meter.
- (G) Extensions Exceeding Cost Limitations. If the Estimated Cost of the extension required to furnish adequate service is greater than the Estimated 2 ½ Year Revenue, then:
- (1) Such an extension shall be made by the Cooperative upon consumer’s proper application for such extension, consumer’s execution of a line extension agreement in a form acceptable to the Cooperative, and consumer’s payment to the Cooperative of that part of the Estimated Cost of such extension that exceeds the Estimated 2 ½ Year Revenue.
 - (2) Notwithstanding the foregoing, if in the sole opinion of the Cooperative (a) the prospective revenue to be received from a requested extension is so meager or speculative as to make it doubtful whether the revenue from the extension would ever pay a fair return on the investment involved in such extension, or (b) in a case of multi-unit real estate development, including but not limited to a residential subdivision, with slight or no immediate demand for service, or (c) in the case of an installation requiring extensive equipment with slight or irregular service, or (d) the projected cost of the extension is substantial in nature and would be detrimental to the financial position of the Cooperative, then in any of the above cases the Cooperative may require the applicant to pay the full Estimated Cost of the line extension.
 - (3) Material Deposits. Notwithstanding any other provisions of this Rule 16, at the Cooperatives discretion, a material deposit will be obtained for all three-phase transformers that are required to furnish electric service. The material deposit will be retained by the Cooperative until the estimated total revenue, less power costs, for a period of 2 ½ years is at least equal to the estimated cost of such transformer. Once the estimated cost of the transformer is recovered by the Cooperative, the full amount of the deposit will be refunded to the consumer. In such case, the amount paid as a

deposit for the transformers will be excluded from the Estimated Cost for purposes of determining the consumer's payment to the Cooperative under this subsection (G)(1) of this Rule.

In the unforeseen event that the project is canceled and the new service is not energized, the Cooperative will make one of the following determinations:

- (i) The Cooperative will retain the transformer and refund the material deposit to the consumer.
 - (ii) The Cooperative will retain the forfeited material deposit and ask the consumer to make arrangements (at the consumer's cost) for delivery of the transformer to the location of the consumer's choice.
- (4) Additional Consumers. During the six years following the initial consumer's extension, for each new consumer (other than the original consumer) connected to such an extension, the Cooperative will refund to the initial consumer, in proportion to their respective contributions toward the cost of such extension. In the event of a line upgrade, during the six years following a line upgrade requested by a consumer, for each new consumer (other than the original consumer) that connects to and utilizes the upgraded line and service, the Cooperative will collect from the new consumer and refund to the initial consumer, in proportion to their respective contributions toward the cost of such upgrade. The intent of this section is to keep the Cooperative whole but not to profit by any line extension or upgrade or to allow another member to profit by said line extension or upgrade.

(H) Line Extensions for New Residential and Commercial Developments. Notwithstanding anything to the contrary in subsections (A) and (B), line extensions for new residential and commercial developments shall be treated as follows:

- (1) The developer shall execute a development Agreement and pay 100% of the estimated cost to extend the primary electric facilities necessary for the development.
- (2) Each new residential or commercial consumer who requests electric facilities to be extended to a lot or site in the development shall pay the Estimated Cost to extend secondary and service line facilities to the lot *less* the Estimated 2 ½ Year Revenue for that lot.
- (3) For a period of ten (10) years from the Effective Date of a development Agreement, the Cooperative will provide a credit to the developer for each new permanent electric service installed on a residential or commercial lot or site in the development. The Credit shall equal the total cost of the primary facilities paid by the developer divided by the total number of lots in the development.

(I) Information.

- (1) All estimates of costs shall be determined by the Cooperative in its reasonable judgment and shall consider actual experience, current labor and material costs, and other factors the Cooperative considers relevant.
- (2) In the event that the applicant is required to make any payment, the Cooperative will upon request make available to the applicant:
 - (i) the information used to establish the basis for the applicable amount; and
 - (ii) the information used to establish the basis for the Estimated 2 ½ Year Revenue from permanent and continuing consumers on such extension as required by this rule.
- (J) Service Lines. For service (defined as the conductors and equipment for delivering energy, not to exceed 600 volts, from the electrical supply system to the wiring system of the premises served) the applicant shall have the right to install same subject to such reasonable specifications and inspections as might be prescribed by the Cooperative. The Cooperative may require the applicant to submit to the Cooperative sufficient designs and/or plans for the service lines before proceeding. If the Cooperative provides the designs and/or plans, the Cooperative may require the applicant to reimburse the Cooperative. The Cooperative shall have no responsibility for service lines installed by the applicant.
- (K) Contract for Service. The Cooperative shall not be required to make an extension as provided in this rule unless the consumers to be initially served by such extension upon its installation have entered into an agreement with the Cooperative setting forth the obligations and commitments of the parties, which may require the consumer to provide a satisfactory guaranty to the Cooperative of the performance of the consumer's obligations thereunder.
- (L) Variations from Rule. This rule shall not be construed as prohibiting the Cooperative from making extensions without requiring a contribution in aid of construction even if the Estimated Cost of the extension exceeds the Estimated 2 ½ Year Revenue.

Rule 17. Consumer Modification Requests; Liability for Costs

If a consumer requests for his/her convenience or by his/her actions requires that utility facilities be redesigned, reengineered, relocated, removed, modified or reinstalled, the Cooperative may require the consumer to make payment to it of the full cost of performing such service.

Rule 18. Rate Schedules, Fees, Charges

Copies of all schedules of rates for service, forms of contracts, charges for service connections and extensions, and of all rules and regulations covering the relationship between the consumer and the Cooperative shall be maintained in the local office of the Cooperative and shall be made available to consumers affected thereby.

These Service Rules and Regulations are intended to supplement any specific requirements set forth in any Cooperative Rate Schedule, provided however, to the extent any specific requirements set forth in any Cooperative Rate Schedule conflict with requirements set forth in these Service Rules and Regulations, the Rate Schedule shall control.

Rates, fees and charges are subject to change from time to time in the sole discretion of the Board of Directors of Cooperative.

- (A) Operation Round Up. The Cooperative shall, unless notified by the consumer to the contrary, round-up to the next even dollar amount the consumer's bill for a billing period. The difference between the consumer's estimated or actual bill for electric service and the rounded-up bill shall be contributed when paid to the Cooperative's tax exempt corporation for investment or use for charitable purposes in the Cooperative's service territory.
- (B) Indiana Connection Magazine. At least annually, the bill shall include a statement that the consumer understands that the amount identified by the *Indiana Connection* based on postal and production costs is included in the amount paid by the consumer for electric service from the Cooperative each year, and such amount is paid for the subscription to the *Indiana Connection*.

Rule 19. Access to Property; Maintaining the System, Right of Ways, Consumer Responsibility

- (A) Maintaining the System. As a condition of receiving electric service from the Cooperative, the properly authorized agents of the Cooperative shall have the right to enter upon consumer's premises at all reasonable times for the purpose of installing, locating, inspecting, maintaining and providing access to facilities and reading, testing, repairing or replacing the meter(s), poles, lines, circuits and other equipment used in connection with its service and removing the same on the termination of the contract or the discontinuation of service. The consumer shall, upon request by the Cooperative, provide to the Cooperative easements or right-of-way over, under and on such lands owned, contracted for, or legally controlled by the consumer for the furnishing of services to the consumer or other consumers or for the construction, operation, maintenance or relocation of facilities.
- (B) Right of Ways. As a condition of receiving electric service from the Cooperative, the properly authorized agents of the Cooperative shall have the right to enter upon the consumer's premises at all reasonable times for the purpose of maintaining, trimming, clearing, spraying, or removing trees, vegetation, and brush as Cooperative deems necessary to maintain its facilities and provide safe and reliable service. The consumer shall, upon request by the Cooperative, provide affirmative consent or written grants of easement or right-of-way on, over, across, or under all lands owned, contracted for, or legally controlled by them for the purpose of allowing the Corporation to maintain, trim, clear, spray, or remove trees, vegetation, and brush, and each consumer shall participate in any program that may be established by the Cooperative for the maintenance of all such rights-of-ways.

- (C) Consumer's Responsibility. As a condition of receiving electric service from the Cooperative, the consumer shall provide and maintain, on private property, all roads, dikes, ditch-banks, etc., required for the safe and stable access by Cooperative personnel and vehicles for the purpose of construction, maintenance, repair, replacement or removal of its property or to perform disconnection or reconnection of service.

Rule 20. Limitation of Liability, Indemnification, Continuity of Service, Phase Protection

- (A) Neither Cooperative nor consumer shall be liable to the other for any act, omission or event caused by strikes, acts of God, or unavoidable accidents or contingencies beyond its control.
- (B) Cooperative shall not be liable for any loss, injury, or damages (whether direct, indirect, or consequential) resulting from any failure to supply electricity or for an interruption, limitation, or curtailment of electric service due to any cause whatsoever other than willful default or gross negligence of Cooperative.
- (C) Cooperative shall not be liable for any loss, injury, or damages (whether direct, indirect, or consequential) caused by wiring, electrical appliances or equipment on consumer's premises.
- (D) Cooperative shall not be liable for direct, indirect, or consequential damages resulting from the presence or use of electricity or the presence of Cooperative's equipment on consumer's premises, unless due to the willful default or gross negligence on the part of Cooperative.
- (E) Consumer shall not make any internal or external adjustment to or otherwise interfere with or break the seals of meters or any other Cooperative owned equipment installed on consumer's premises, and consumer shall ensure that no one except employees or agents of the Cooperative do so.
- (F) The Cooperative does not guarantee phase protection on a multi-phase service. It is the consumer's responsibility to provide and maintain suitable protective devices on consumer property to prevent any loss, injury, or damage that might result from single-phasing conditions or any other fluctuation or irregularity in the supply of electricity to consumer's premises. The Cooperative shall not be liable for any loss, injury, or damages (whether direct, indirect, or consequential) resulting from a single-phasing condition or any other fluctuations or irregularity in the supply of energy which could have been prevented by the use of such protective devices.
- (G) In the event of loss or damage to the Cooperative's property through willful misconduct, misuse, or negligence on the part of consumer or its agents or representatives, consumer shall be liable and shall pay to the Cooperative the cost of the necessary repairs or replacement of Cooperative property. Consumer shall also be liable for any injury to any person, including the loss of life, caused by willful misconduct, misuse or negligence on the part of consumer or its employees, agents or representatives.

(H) Consumer shall indemnify and hold harmless Cooperative from and against all claims, liability, damages, losses, fines, penalties and expenses based on any injury to any person, including the loss of life, or damage to any property, including the loss of use thereof, arising out of, resulting from or connected with, or that may be alleged to have arisen out of, resulted from, or connected with, willful misconduct, misuse or negligence on the part of consumer or its employees, agents or representatives.

Rule 21. Saving Clause

The Cooperative reserves the right to amend these Rules and Regulations in whole or in part, as deemed appropriate from time to time in the sole discretion of the Board of Directors of Cooperative.

Jasper County Rural Electric Membership Corporation (Cooperative)

Statement of Nondiscrimination

Jasper County Rural Electric Membership Corporation is the recipient of Federal financial assistance from the U.S. Department of Agriculture (USDA). This institution is an equal opportunity provider and employer. In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

Remedies and complaint filing deadlines vary by program or incident.

Person with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202)720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800)877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Ave SW, Washington, D.C. 20250-9410; fax: (202) 690-7442; or email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

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