CANEY FORK ELECTRIC COOPERATIVE, INC. SCHEDULE OF RULES AND REGULATIONS

1. <u>APPLICATION FOR SERVICE</u>. Each prospective Member desiring electric service may be required to complete and sign Distributor's standard form of application for service and/or contract before service is supplied by the Distributor.

2. <u>DEPOSIT.</u> A deposit or suitable guarantee may be required for any Member before electric service is supplied. Deposits will be handled in accordance with CFEC Policy Bulletin # 214.

3. <u>POINT OF DELIVERY.</u> The point of delivery is that point on the premises which the Distributor designates as the point that current is to be delivered to Member's building or other structure. The Member shall provide and maintain all wiring and equipment beyond the point of delivery at no expense to the Distributor.

4. <u>AID TO CONSTRUCTION</u>. Members requesting service may be required to make a contribution in Aid to Construction where the installed cost of providing the requested service exceeds amounts established by current policy.

5. <u>CUSTOMER'S WIRING - STANDARDS.</u> All wiring must comply with the State Fire Marshal's Office, and all rules and regulations of the National Electrical Code and the National Electrical Safety Code.

6. <u>INSPECTIONS.</u> All permanent service installations, including but not limited to all residential, commercial and industrial shall be inspected and approved by a state wiring inspector appointed under contract with the Commissioner of Commerce & Insurance, State of Tennessee. Each such installation shall have a minimum of two (2) inspections: 1.) A rough-in inspection and no wiring shall be concealed until it has been inspected and approved, 2.) A final inspection of the entire and completed electrical installation.

Electric service to any permanent or temporary installation shall not be connected unless an approved certificate of inspection notice has been furnished Distributor by the state wiring inspector. In certain cases where the Member is rewiring or making additions to a present system, the Distributor may continue service to the Member until the wiring inspector can make the inspection provided: 1.) the state wiring inspector is in agreement with the policy, and 2.) the Member signs a Certificate of Inspection Release to the Distributor.

Notwithstanding the above, the Distributor shall not be liable or responsible for any loss or damage which is caused by any wiring defective or otherwise beyond the "Point of Delivery."

7. <u>UNDERGROUND SERVICE LINES.</u> Members desiring underground service lines from Distributor's overhead system must bear the excess cost of this type of installation. Specifications and terms for such construction will be furnished by Distributor on request.

8. <u>MEMBER'S RESPONSIBILITY FOR DISTRIBUTOR'S PROPERTY</u>. All meters, service connections and other equipment furnished by Distributor shall remain the property of Distributor. Member shall provide a space on his/her premises for and shall exercise proper care of Distributor's property. Member shall bear the cost of repairs or replacements necessitated by failure to exercise proper care of Distributor's property.

9. <u>RIGHT OF ACCESS</u>. Distributor's identified employees shall have access to Member's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, or exchanging any or all equipment belonging to Distributor. Member will provide Distributor's personnel access for Right-of-Way and Line Maintenance.

10. <u>BILLING.</u> Bills are rendered monthly and are payable at the office of Distributor or at other locations designated by Distributor. Failure to receive a bill will not release Member from the obligation to pay. Any disconnection of service for non-payment of Member's bill for charges due shall be made only after reasonable prior written notice (including electronic notification or door-hanger notice). Such notice shall inform Member of the availability of a procedure for discussing any dispute with a designated Distributor representative authorized to review disputed bills and correct any errors. Bills paid after the due date are subject to additional charges. Billing and termination for non-payment will be handled in accordance with CFEC Policy Bulletin #210.

11. <u>DISCONTINUANCE OF SERVICE BY DISTRIBUTOR</u>. Distributor may refuse to connect or may discontinue service for violation of the following: 1. Any of Distributor's Rules and Regulations, 2. any of the provisions of the Schedule of Rates and Charges, or 3. the application of Member or contract with Member. Distributor may also discontinue service to Member for the theft of electricity or appearance of theft on the premises of Member or for violation of any safety codes. The discontinuance of service by Distributor for any causes as stated in this rule does not release Member from the obligation to Distributor for the payment of any charges due. Discontinuance of service may be delayed in the event of extreme weather conditions or documented medical hardship. Discontinuance of service will be handled in accordance with CFEC Policy Bulletin #210.

12. <u>CONNECTION, RECONNECTION, AND DISCONNECTION CHARGES.</u> Distributor may establish and collect standard charges to cover the reasonable average cost, including administration, of connecting or reconnecting service, or disconnecting service as provided above. Higher charges may be established and collected when connections and reconnections are performed after normal office hours, or when special circumstances warrant.

13. <u>TERMINATION OF CONTRACT BY MEMBER.</u> Members who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days' written notice to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve Member from any minimum or guaranteed payment under any contract or rate.

14. <u>SERVICE CHARGES FOR TEMPORARY SERVICE.</u> Members requiring electric service on a temporary basis may be required to pay Distributor all costs for connection and disconnection incidental to the supplying and removing of service. This rule applies to circuses, carnivals, fairs, temporary construction and the like.

15. <u>INTERRUPTION OF SERVICE.</u> Distributor will use reasonable diligence in supplying current, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from interruptions in service, excessive or inadequate voltage, single-phasing, or otherwise unsatisfactory service, whether or not caused by negligence.

16. <u>SHORTAGE OF ELECTRICITY</u>. In the event of an emergency or other condition causing a shortage in the amount of electricity for Distributor to meet the demand on its system, Distributor may, by an allocation method deemed equitable by Distributor, fix the amount of electricity to be made available for use by Member and/or may otherwise restrict the time during which Member may make use of electricity and the uses which Member may make of electricity. If such actions become necessary, Member may request a variance because of safety and welfare. If Member fails to comply with such allocation or restriction, Distributor may take such remedial actions as it deems appropriate under the circumstances including temporarily disconnecting electric service and charging additional amounts because of the excess use of electricity. The provisions of the Section entitled <u>Interruption of Service</u> of this Schedule of Rules and Regulations are applicable to any such allocation or restriction.

17. VOLTAGE FLUCTUATIONS CAUSED BY MEMBER. Members shall not use electric service in a manner which will cause unusual fluctuations or disturbances to Distributor's system. Member, at their expense, may be required to install suitable apparatus which will reasonably limit such fluctuations.

18. <u>ADDITIONAL LOAD.</u> The service connection, transformers, meters, and equipment supplied by Distributor for each Member have definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of Distributor. Failure to give notice of additions or changes in load, and to obtain Distributor's consent for same, shall render Member liable for any damage to any of Distributor's lines or equipment caused by the additional or changed installation.

19. <u>STANDBY AND RESALE SERVICE</u>. All purchased electric service (other than emergency or standby service) used on the premises of Member shall be supplied exclusively by Distributor, and Member shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.

20. <u>NOTICE OF TROUBLE.</u> Member shall immediately notify Distributor in the event of defects, trouble or accidents affecting the supply of electricity or for unsatisfactory service. Such notices, if verbal, should be confirmed in writing.

21. <u>NON-STANDARD SERVICE</u>. Member shall pay the cost of any special installation necessary to meet his peculiar requirements for 1.) service at other than standard voltages or 2.) the supply of closer voltage regulation than required by standard practices.

22. <u>METER TESTS.</u> Distributor will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy. Distributor will make additional tests or inspections of its meters at the request of Member. If tests made at Member's request show that the meter is accurate within two percent (2%), slow or fast, no adjustment will be made in Member's bill, and Distributor's standard testing charge will be paid by Member. If the test shows meter to be in excess of two percent (2%), fast or slow, an adjustment shall be made in Member's previous thirty (30) day billing period preceding such test, and cost of test shall be at the expense of Distributor.

23. <u>RELOCATION OF OUTDOOR LIGHTING FACILITIES.</u> Distributor will relocate or change existing Distributor-owned equipment at Member's request. Member shall reimburse Distributor for such changes at actual cost including appropriate overheads.

24. <u>BILLING ADJUSTED TO STANDARD PERIODS.</u> The charges set forth in the rate schedules are based on billing periods of approximately one month. In the case of the first billing of new accounts (temporary service, cotton gins and other seasonal members excepted) and final billings of all accounts (temporary service excepted), where the period covered by the billing involves fractions of a month, the demand charges, other charges designed primarily to recover fixed costs, and the member charges under Part B of the General Power Rate Schedule will be adjusted proportionately with the period of time during which service is extended.

25. <u>HOME ENERGY SURVEYS.</u> Members of Distributor receiving service under the residential rate schedule are eligible for an energy survey of their home. The survey will include energy saving recommendations, weatherization measures needed and information covering efficient utilization of electric energy. Surveys will also determine suitability of installing an electric heat pump for efficient heating and cooling of the home.

26. <u>RESIDENTIAL ENERGY SERVICES PROGRAM.</u> The Distributor in fulfillment of the purposes and provisions of the Tennessee Valley Authority Act, and as part of its electric service, may make available funds to eligible electric Members for energy improvements identified in a survey of the Member's dwelling under the Residential Energy Service Program being conducted by Distributor and TVA. Eligible Members must sign repayment agreements under which the funds made available will be repaid to Distributor. Monthly repayment amount due for this service will be included as part of the electric bills from Distributor. Except as otherwise agreed in the repayment agreement, the provisions of the section entitled "Billing" of this Schedule of Rules and Regulations shall apply to bills for the amounts made available by Distributor as part of its electric service for weatherization measures. Distributor may also make available disbursements to participants to encourage the installations and efficient use of electric appliances and devices in dwellings.

27. <u>SCOPE.</u> This Schedule of Rules and Regulations shall be a part of all contracts for electric service and applies to all service received from Distributor. A copy of this schedule, together with a copy of Distributor's Schedule of Rates and Charges, shall be kept open to inspection at the offices of Distributor.

28. <u>REVISIONS.</u> These Rules and Regulations may be revised, amended, supplemented, or otherwise changed by the Distributor without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.

29. <u>CONFLICT.</u> In case of conflict between provisions of any rate schedule and Schedule of Rules and Regulations, the rate schedule shall apply.

30. **INFORMATION TO MEMBERS** – Distributor shall reasonably inform Members about rates and service practice policies by making such information available upon Member's application for service, at any time upon request by Member and by publication on the Distributor's website or other technological means of communication. All retail rate action initiated by Distributor shall be communicated to Members through the Tennessee Magazine or any other media outlets determined appropriate in order to reach the majority of Members. On request, Distributor shall provide a statement of a member's monthly consumption for the prior 12 months if it is reasonably ascertainable. Information to Members will be handled in accordance with Policy Bulletin #401.