

## **TANNER ELECTRIC COOPERATIVE PREPAID METERING POLICY**

### **I. OBJECTIVE**

A. This policy exists to define the various attributes, as well as the service rules and regulations, associated with the Tanner Electric Cooperative (“TEC”) Prepaid Metering Program (“Program”).

B. This policy defines the attributes and requirements of the Program, as well as the provisions to be applied under the Program.

### **II. CONTENT**

#### **A. General**

1. The Program, as defined herein, is available to any Member of TEC for residential service. The Program is voluntary, and a participating member (“Participant”) must request to participate in the Program by executing the supplemental contract “Prepaid Metering Program Terms and Conditions” (Exhibit 1 attached hereto). At any time a Prepaid Program Participant may elect to convert their account back to postpaid service; at which time TEC will require full payment of a calculated deposit, if required under TEC’s credit policy, and payment of any outstanding account balance to the date the account is converted.
2. TEC, at its sole discretion, may elect not to accept a member into the Program. In addition, TEC may remove a Participant from the Program for not adhering to the requirements as stated herein, or as may be amended.
3. Certain monthly values applicable to a member’s account(s) may be converted to “daily values” under this Program, including, without limitation, the daily equivalent of TEC’s monthly facilities charge.

#### **B. Program Terms.**

1. Participants in this Program are responsible for all aspects of the administration of their account under the Program, including monitoring the amount of credit remaining in their prepayment account.
2. Participants shall provide TEC with a valid notification method i.e. email address, cell phone for text and/or phone number for automated messages. TEC will send notice by text, email or auto generated phone call when a Participant’s account balance falls below \$25.00. Participant agrees that whether or not he/she actually receives the notice of their account balance from TEC, it is understood that if their account balance becomes negative TEC may automatically disconnect electric service. TEC shall have no responsibility other than to provide notice of Participant’s account balance by text, e-mail and/or by auto generated phone call. The daily equivalent of the base rate will continue to accumulate even if the electric meter is disconnected. Disconnections shall otherwise comply with TEC’s Member Service Policies, including TEC’s cold weather disconnection rules.

3. It shall be a Participant's responsibility to contact a Member Service representative at TEC's business office to make any changes to their notification method or information settings. TEC shall make Participant's account history, usage, charges and payments available to Participant at Participant's TEC account page at: <http://www.tannerelectric.coop/>, or by calling a Member Service representative during TEC's normal business hours (7:30 a.m. to 4:30 p.m.), except weekends and/or holidays.
4. Participants will be required to pay a \$5 per month program fee to cover equipment, installation charges and Program administration.

#### C. Other Terms, Limitations and Exceptions

1. This Program is limited to eligible applicants who agree to abide by the service rules and regulations of the Program, as they may exist from time to time and as defined herein.
2. Members are not eligible for the Program if the member, or a resident within the same premises, has a medical condition that requires electric service to prevent the occurrence of a medical emergency, or any person who is elderly, disabled, or who has a serious illness.
3. The following limitations apply to Members who apply to participate in the Prepaid Metering Program:
  - a. TEC's Budget Billing program, is not available to Participants in the Prepaid Metering Program.
  - b. At the time a Prepay account is established, 100% of any existing deposits, if any, will be applied toward any outstanding balance with the remaining credit applied to my prepaid service.
  - c. Members enrolled in this Program shall not be eligible to make payment arrangements, except as provided in subparagraph d. below.
  - d. Net Metering accounts are not eligible for prepaid service under this Policy.
  - e. As a condition of establishing a Prepay account, if an applicant has an unpaid or overdue account balance, they must agree to pay not less than 25% of their existing account balance (including any deposit that is applied to the account under subparagraph b. above.) In addition, 25% of all future prepayments will be applied to the Participant's past due debt until paid in full.
  - f. A maximum amount of \$1,000 will be allowed to be placed on a prepaid arrangement.

#### 4. Payments, Rates and Minimum Balance.

- a. Applicants must make an initial prepayment for electric service of at least one hundred dollars (\$100), as well as any other applicable fee (e.g. membership or other).
- b. This initial prepayment will be credited to the Participant's prepaid account at the time the member begins service under this Program.
- c. Payments are posted to a Participant's account once they are received.
- d. Energy assistance pledges and/or payment assistance support will be applied to a Participant's account when such payments are actually received by Tanner.
- e. Participants shall pay the same rate for electricity, including the monthly facilities charge, paid by other members of TEC receiving the same class of service, as it may be adjusted from time to time.
- f. A Program Participant will be required to maintain a balance equal to or greater than zero (\$0) in their account at all times under this Program. Once a Program Participant reaches a balance of zero (\$0) on the account, the Participant's electric service shall be subject to immediate disconnection. Service that has been disconnected due to a negative balance will not be reconnected until the account balance has been paid and an account balance of at least \$100 has been reestablished.

#### D. Disconnect Notices

1. A Participant will not receive printed / paper delinquent notices via U.S. Mail, by a doorknob hanger, or by any other method.
2. All official communications under the Program, including the status of a Participant's account balance and any notice of disconnection of service and low account balance notices will be provided as specified in paragraph II. B. 2 above or through TEC's online portals.

#### E. Service Security Deposit

1. Required security deposits amounts do not apply to Participants while enrolled in this Program.
2. Security deposits will apply when a person seeks to re-establish / establish electric service with the Cooperative when not participating in this Program.

## F. Disconnection of Service and Membership Termination

1. Members enrolled in the Program whose disconnection may be deferred pursuant to the Cooperative's cold weather or other service rules will accrue debt for all electric service provided, and will be responsible for paying all such amounts to maintain service.
2. Disconnection can occur at any time (e.g. 7 days/week, 24 hours/day) including holidays and weekends (e.g. Saturday and Sunday).
3. Participants that are disconnected for a period of seven (7) days or more will be considered inactive, and will receive a "final bill" including all amounts for service received, less payments and refunds of refundable fees and charges. TEC may elect to terminate any inactive member who fails to pay all amounts owed to TEC and reestablish service within 90 days of becoming inactive.
4. Final bills for inactive accounts will be mailed to the last known address on file for the account in question.
5. For inactive accounts, all amounts then owed, together with other applicable fees and charges, must be paid prior to service being restored.
6. Former Participants whose membership has been terminated by TEC shall not be considered members and shall not be entitled to exercise any rights of an active member unless a new membership is established in accordance with TEC's Bylaws. This provision is not intended to impair the right of any Member whose membership is terminated to payment of any capital credits to which they may be entitled.

## K. Indemnification:

1. A Program Participant shall assume all liability for and shall indemnify TEC and its members, directors, officers, managers, employees, agents, representatives, affiliates, successors and assigns for – and shall hold them harmless from – any and all claims, losses, costs and expenses of any kind or nature to the extent they relate to the account, participation in the Program, Participant's failure to comply with the provisions of the Program or obligations established herein, disconnection of the account, restoration of service to the account and interruption of service to the account, including but not limited to damages or losses from:
  - a. personal injury or death;
  - b. property damage;
  - c. damages for financial or monetary losses allegedly due to disconnection of electric service, interruption of electric service or restoration of electric service to the prepay account;
  - d. inconvenience or discomfort from disconnection of electric service, interruption of electric service or restoration of electric service to the account;

- e. health problems asserted to be related to improper disconnection of electric service, interruption of electric service or restoration of electric service to the account;
  - f. costs, expenses or attorney's fees incurred for a claim or lawsuit relating to improper disconnection of electric service, interruption of electric service or restoration of electric service to the account;
  - g. any and all obligations asserted by or on behalf of third parties arising out of or resulting from the account or Participant's failure to comply with obligations established under this Program;
  - h. any and all property damage, personal injury or death related to the restoration of electric service to the account after a period of disconnection; and
  - i. any consequential damages related to the account.
2. Participants in the Program assume responsibility for all electrical appliances and operating systems (on the Participant's side of the meter) (i.e. such as stoves, heaters, heating systems, irons, hair dryers, etc.) which had been operating at the time of disconnection and which may then be re-energized at time of reconnection.
3. Participants indemnify TEC from any damages whatsoever (personal injury, property damages, business losses, consequential damages, third party damages) related to restoration of electric service to the account.

#### L. Acknowledgement

1. Participants in the Program must acknowledge, in writing, the acceptance of the Program requirements, as stated in this Policy and on Exhibit 1, attached hereto and made a part of this policy.

### **III. RESPONSIBILITY**

It shall be the responsibility of the General Manager to administer this policy, to develop appropriate controls for its overall enforcement and to report his findings to the Board of Directors.

ADOPTED: 03/15/16 EFFECTIVE: 03/15/16