

FRANKLIN ELECTRIC COOPERATIVE
SCHEDULE OF RULES AND REGULATIONS

1. **APPLICATION FOR SERVICE:** Each prospective Customer desiring electric service may be required to sign Distributor's standard form of application for service or contract before service is supplied by the Distributor.

2. **DEPOSITS:**
RESIDENTIAL:
 - a. Deposit policies are to be applied without regard to race, color, creed, sex, age, national origin, or marital status.
 - b. A deposit of \$295 will be required of any residential Customer before electric service is supplied. A 3-year average of twice the highest monthly residential revenue is used to calculate the Residential Deposit. The deposit now required is less than the current 3-year average of twice the highest monthly residential revenue. Franklin Electric can review this calculation annually and update as necessary. If Customer has a prior bad debt with Franklin Electric that amount must also be paid in full before service can be supplied.
 - c. Any deposit which exceeds one month's average bill and is retained longer than six months shall earn interest at the rate paid on Franklin Electric's primary bank account and will be added to Customer's deposit annually in the month of April. The deposit and earned interest can be reviewed by the customer and Franklin Electric at the local office.
 - d. Upon termination of service, any retained deposit will be applied against unpaid bills of Customer, and if any balance remains after such application said balance shall be refunded to Customer.**GENERAL POWER CUSTOMERS:**
 - a. Deposit policies are to be applied without regard to race, color, creed, sex, age, national origin, or marital status.
 - b. A deposit of two month's estimated average bill will be required of any Customer before electric service is supplied.
 - c. If Customer requests, deposit may be met by Customer purchasing a surety bond or certificate of deposit jointly held by customer and Franklin Electric Cooperative.
 - d. Any deposit which exceeds one month's average bill and is retained longer than six months shall earn interest at the rate paid on Franklin Electric's primary bank account and will be added to Customer's deposit annually in the month of April. The deposit and earned interest can be reviewed by the customer and Franklin Electric at the local office.
 - e. Upon termination of service, any retained deposit will be applied against unpaid bills of Customer, and if any balance remains after such application said balance shall be refunded to Customer.

3. **POINT OF DELIVERY:** The point of delivery is the point, as designated by Distributor, on Customer's premises where current is to be delivered to building or premises. All Wiring and equipment beyond this point of delivery shall be provided and maintained by Customer at no expense to Distributor.

4. **CUSTOMER'S WIRING STANDARDS:** All wiring of Customer must conform to Distributor's requirements and accepted modern standards, as exemplified by the requirements of the National Electrical Safety Code and the National Electrical Code.

5. **INSPECTIONS:** Distributor shall have the right, but shall not be obligated, to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with Distributor's standards; but such inspection or failure to inspect or reject shall not render Distributor liable or responsible for any loss or damage resulting from defects in the installation, wiring, or appliances, or from violation of Distributor's rules, or from accidents which may occur upon Customer's premises.

6. **UNDERGROUND SERVICE LINES:** Customers desiring underground service lines from Distributor's overhead system must bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by Distributor on request.
7. **CUSTOMER'S RESPONSIBILITY FOR DISTRIBUTOR'S PROPERTY:** All meters, service connections and other equipment furnished by Distributor shall be, and remain, the property of Distributor. Customer shall provide a space for and exercise proper care to protect the property of Distributor on its premises, and, in the event of loss or damage to Distributor's property arising from neglect of Customer to care for same, the cost of the necessary repairs or replacements shall be paid by Customer.
8. **RIGHT OF ACCESS:** Distributor's identified employees shall have access to Customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, or exchanging any or all equipment belonging to Distributor.
9. **BILLING:**
 - a. Bills will be rendered monthly and shall be paid by the due date listed. Failure to receive bill does not release Customer from payment obligation.
 - b. The due date for payment of the bill will be 15 days after the date of the bill.
 - c. Bills that are paid after the due date on the billing statement provided shall be subject to an additional forfeited discount of 5%. If the due date falls on a Sunday or a holiday, the bill is due the next business day.
 - d. A collection fee of \$20.00 will be charged for each trip that Franklin Electric Cooperative makes in an attempt to collect past due amounts from the Customer.
 - e. A returned check fee of \$30.00 will be added to the Customer's bill for each check returned for insufficient funds. After three returned checks Franklin Electric will no longer accept checks for payment of bill.
 - f. Bills not paid by the due date specified on the bill may be discontinued as set out in the "Termination of Service" section herein.
10. **TERMINATION OF SERVICE BY DISTRIBUTOR:**
 - a. Written notice(s) of termination (cut-off notice) shall be mailed or handed to Customer with the final notice at least 5 days prior to the scheduled date of termination.
 - b. The Cut-Off Notice will include:
 1. The amount due, including any other charges.
 2. The last date of payment and place of payment to avoid termination.
 3. Instructions as to how to apply for a hearing if the bill is disputed.
 - c. If Customer does not make payment, notify Franklin Electric Cooperative of dispute of bill, or make any other arrangements acceptable to Franklin Electric Cooperative, by last date for payment, Franklin Electric Cooperative will proceed on schedule with termination.
 - d. Hearing on disputed bills will be held by appointment at any Franklin Electric Cooperative office between the hours of 8 A.M. – and 3 P.M. on any business day.
 - e. Franklin Electric Cooperative may discontinue service for the violation of any of the Schedule of Rules and Regulations or the Schedule of Rates and charges. Franklin Electric Cooperative may discontinue electrical service to the Customer for the theft of services or the appearance of theft devices on the Customer's premises.
 - f. Franklin Electric Cooperative evaluates weather conditions by checking weather.com for the city of Russellville, AL 35653 each business day. In the event the forecasted temperature is expected to be below 32 degrees Fahrenheit or above 100 degrees Fahrenheit on that day, disconnection of residential services will be postponed. The postponement will not extend beyond the extreme weather condition.
 - g. Upon Franklin Electric Cooperative's approval of medical necessity form, disconnection of service for nonpayment will be postponed for 30 days from the original scheduled disconnection date to allow Customer time to make payment or alternative shelter arrangements. The medical necessity form must be completed by a medical doctor or nurse practitioner licensed to practice in the state of Alabama certifying that the disconnection of electric service would create a life-threatening medical

situation for the Customer or other permanent resident of the Customer's household. It is the responsibility of the Customer to ensure that the form has been approved by Franklin Electric Cooperative. A life-threatening medical condition does not relieve a Customer of the obligation to pay for electric service, including any late fees incurred or other applicable charges. Franklin Electric Cooperative will only grant this postponement for termination 3 times in a twelve-month period. If full payment of the past due amount, including all late fees, is not received by the end of the 30-day postponement period, electric service will be disconnected without further notice.

11. **CONNECTIONS, RECONNECTION, AND DISCONNECTION CHARGES:** 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.
12. **CUSTOMER'S ENERGY USE DATA:** Upon request by the Customer Franklin Electric Cooperative will make available Customer's energy consumption data for the prior 12-month period.
13. **TERMINATION OF CONTRACT BY CUSTOMER:** Customers 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 Customer from any minimum or guaranteed payment under any contract or rate.
14. **SERVICE CHARGES FOR TEMPORARY SERVICE:** Customers requiring electric service on a temporary basis may be required by Distributor to pay 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. **INTERRUPTION OF SERVICE:** 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. **SHORTAGE OF ELECTRICITY:** 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 Customer and/or may otherwise restrict the time during which Customer may make use of electricity and the uses which Customer may make of electricity. If such actions become necessary, Customer may request a variance because of unusual circumstances including matters adversely affecting the public health, safety, and welfare. If Customer 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 Interruption of Service of this Schedule of Rules and Regulations are applicable to any such allocation or restriction.
17. **VOLTAGE FLUCTUATIONS CAUSED BY CUSTOMER:** Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to Distributor's system. Distributor may require Customer, at his own expense, to install suitable apparatus which will reasonably limit such fluctuations.
18. **ADDITIONAL LOAD:** The service connection, transformers meters, and equipment supplied by Distributor for each Customer 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 Customer liable for any damage to any of Distributor's lines or equipment caused by the additional or changed installation

19. **STANDBY AND RESALE SERVICE:** All purchased electric service (other than emergency or standby service) used on the premises of Customer shall be supplied exclusively by Distributor, and Customer shall not, directly, or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.
20. **NOTICE OF TROUBLE:** Customer shall notify Distributor immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed in writing.
21. **NON-STANDARD SERVICE:** Customer shall pay the cost of any special installation necessary to meet his peculiar requirements for service at other than standard voltages, or for the supply of closer voltage regulation than required by standard practice.
22. **METER TESTS:** Distributor will, at its own expense make periodical test 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 Customer. If test made at Customer's request show that the meter is accurate within two percent (2%), slow or fast, no adjustment will be made in Customer's bill, and Distributor's standard testing charge will be paid by Customer. In case the test shows meter to be in excess of two percent (2%) fast or slow, an adjustment shall be made in Customer's bill over a period of not over thirty (30) days prior to date of such test, and cost of making test shall be borne by Distributor.
23. **RELOCATION OF OUTDOOR LIGHTING FACILITIES:** Distributor shall, at the request of Customer, relocate or change existing Distributor-owned equipment. Customer shall reimburse Distributor for such changes at actual cost including appropriate overheads.
24. **BILLING ADJUSTED TO STANDARD PERIODS:** The demand charges and the blocks in the energy 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 Customers 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 and the blocks of the energy charge will be adjusted to a basis proportionate with the period of time during which service is extended.
25. **SCOPE:** This Schedule of Rules and Regulations is a part of all contracts for receiving electric service from Distributor, and applies to all service received from Distributor, whether the service is based upon contract, agreement, signed application, or otherwise. 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.
26. **REVISIONS:** These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective shall have the same force as the present Rules and Regulations. Any changes in Franklin Electric Cooperative rates and regulation will be displayed in each location where Customer's bills are paid and in Franklin Electric Cooperative's monthly newsletter.
27. **CONFLICT:** In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.