

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

1) **DEFINITIONS**

The following terms shall have the meanings given below:

- a) **Advanced Payments**
An amount paid in advance, at the Member's option, intended to pay monthly minimums and/or bills for electric service.
- b) **Classification**
The term used generally to define the different types of use of electric energy.
- c) **Cooperative**
San Luis Valley Rural Electric Cooperative, Inc.
- d) **Delinquent Account**
All accounts become delinquent thirty (30) days after the date of the statement.
- e) **Distributed Generation**
Consumer owned generation connected to the SLVREC system under the Net Metering tariff.
- f) **Distribution System**
The Cooperative's electric lines used for the purpose of general distribution of electrical energy to its Members.
- g) **Diversion of Electric Energy**
Bypassing, tampering, theft of electricity or unauthorized metering.
- h) **Due Date**
The date printed on the Member's bill and is the last date payable after which the bill becomes past due.
- i) **Line Extension**
Consumer request for extension of distribution facilities to provide a service connection.
- j) **Maximum Demand**
The greatest use of energy over a specific time interval as recorded by suitable meter or meters.
- k) **Member**
Any person, group of persons, partnership, firm, corporation, institution, any agency of the Federal, State, or Local Government, their lessees, trustees, or receivers appointed by any court, contracting for electric service from the Cooperative for domestic, commercial, or industrial use, or at wholesale.
- l) **Member's Installation**
All wiring and associated components of the electric system on the Member's side of the Cooperative's meter. Also, the service entrance components on the meter pole or house.
- m) **Net Metering**
Customer's retail electricity consumption offset by the electricity generation from an eligible energy resource on the customer's side of the meter.
- n) **New Service**
An electric service at a location not previously connected to the Distribution System.
- o) **Notice/Notify**
A written Notification deposited in the United States mail by one party to another party sent to their last known address.
- p) **Permanent Service**
Service to any Member when the use of service, both as to amount and as to permanency, at the sole discretion of the Cooperative, can be reasonably assured.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

q) **Point of Delivery**

Where the Cooperative's electric facilities are first connected to the electric facilities of the Member.

r) **Purchase of Power Agreement**

A contract between the Cooperative and Member outlining the provisions of service.

s) **Subdivision Extension**

Extension of the Distribution System for the purpose of and design for serving multiple Members within a planned development where the permanent location of transformers and meters can be determined by the Cooperative at the time of original design.

t) **Temporary Service**

Any service of a temporary or indeterminate nature, without regard to the duration of service, where, at the sole discretion of the Cooperative, the permanency of service cannot be reasonably assured, including any service within an incorporated municipality, which the Cooperative does not serve under franchise.

u) **Trip Fee**

A minimum of a \$100 fee (\$200 after hours) or time and mileage, whichever is greater, charged when an employee is dispatched to a consumer's location for Cooperative purposes or at the consumer's request.

2) **APPLICABILITY**

These Electric Service Terms and Conditions apply to all electric service tariffs offered by the San Luis Valley Electric Cooperative ("Cooperative").

3) **BILLING**

a) **Agreement for Service**

A request for electric service by an existing Member or a request for service by a new Member will require the Member to sign an agreement for electric service ('Service Agreement') with the Cooperative.

b) **Payments**

Monthly statements are due and payable on the Due Date as indicated on each statement. The initial billing period shall begin when electric service is available from the Cooperative's line.

c) **Collections and Disconnections**

A disconnection Notice will be sent to any Member with a Delinquent Account that is more than \$45.00. The Cooperative will attempt to contact a Member concerning payment of a Delinquent Account prior to disconnection by mailing a disconnection Notice and making an automated phone notification. In unusual circumstances other methods of contacting the Member may be used. All accounts are subject to disconnection if not paid by the date on the disconnect Notice.

If payment is not received by 7:30 a.m. on the date stated on the disconnection Notice, a \$30.00 delinquency charge will be assessed to the account. If a serviceman is dispatched to disconnect or tag the account, a \$100.00 trip fee will be added to the account immediately.

Members whose account has remained in good standing will be granted a one-week grace period prior to disconnection of electrical service for a Delinquent Account. The Member will be given a courtesy call before consideration of disconnection. If no contact is made, the serviceman will tag

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

the location with no trip fee charged. If the account remains delinquent upon expiration of the grace period, the service will be disconnected in accordance with the procedures contained herein. Applicable fees will be charged at this time. The grace period will not be applicable to any Member more than once every 12 months.

The Cooperative may grant an exception to the disconnect policy if the Member or a resident in the household has a serious illness requiring life support apparatus. The Cooperative will postpone disconnection of electric service to a residential Member for 60 days if the Cooperative has in its possession a current medical certificate issued by a Colorado-licensed physician or health care practitioner acting under a physician's authority with evidence that discontinuance of service will aggravate an existing medical emergency or create a medical emergency for the Member or a permanent resident of the Member's household. A Member may invoke this postponement only once in a consecutive twelve-month period. The full delinquent amount of the bill must be paid in full at the end of the extension period to avoid disconnection.

SLVREC will not transfer an account into a family Member's name or other resident's name to avoid disconnection or to reconnect service once disconnected. The active account at the time of disconnect must be in good standing with all applicable fees paid before a transfer will be completed.

In situations where there is a pattern of abuse such as when a landlord has more than one unpaid bill and a new tenant is requesting service in the tenant's name, SLVREC will require the landlord to pay the landlords' bill and applicable fees before connecting the new tenant.

d) Over and Under Billing

Refunds for over-billing shall be provided for a period of time not exceeding two years.

Under billing adjustments will not exceed a period of two years and the Member will be offered a payment arrangement equal to the length of time in which the under-billing occurred.

e) Reconnection

SLVREC's standard reconnection fee is \$25.00 during normal business hours and \$50.00 after normal business hours. If a serviceman is dispatched the consumer must pay \$100.00 trip fee (\$200.00 after hours), appropriate security deposit, and the total amount past due associated with the Member.

f) Appeal of Disputes

An immediate appeal by the Member may be made to Cooperative management. The ruling of management may be appealed to the board of directors at the next regularly scheduled meeting.

g) Non-Sufficient Funds Checks

When the Cooperative receives Notice of non-sufficient funds (NSF) for checks or electronic checks, the amount of the check will be applied back to the account, a \$50.00 NSF fee will be added and the Member will be Notified requesting payment within 10 calendar days in the form of guaranteed funds.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

Checks and electronic checks issued to avoid disconnection and received back as NSF for first time occurrences, the consumer will be called and given two (2) days to bring in cash or guaranteed funds. Anytime thereafter, the service will be subject to disconnection and fees will apply.

An account will be deemed a "cash only" account if the Cooperative receives more than two (2) NSF checks in a twelve (12) month period. The Member will be sent a letter informing them they are on a cash basis only.

h) Interest

Interest of 1½ % per month will be charged to all accounts which have unpaid balances 30 days or more past due.

Interest credited to security deposits and credit balances held by the Cooperative will be set annually at a rate generally accepted by utilities within Colorado.

i) Security Deposit

A deposit to guarantee payment of current bills for all rate Classifications shall be required from all Members requesting a new account whose credit does not meet minimum requirements. With permission from Customer, SLVREC may run a soft credit check or Customer may provide a letter of credit to verify acceptable credit history of a comparable type of service. A deposit shall not relieve any Member from payment of current bills when due. Such required deposit shall be returned to the Member by credit to the Member's account if still active or refunded after termination of electric service. If a member has multiple accounts, all accounts have to meet the minimum credit requirements to avoid paying a security deposit.

The Cooperative shall formally Notify the Member of the deposit required for electrical service. A deposit arrangement can be made as follows; the first half of the deposit is due within one week of service connection and the other half due with the first bill. Any deviation from this arrangement shall be cause for service termination without further Notice. The exception is a security deposit for new service will be collected in full.

The term of the deposit will be for a minimum of one year and returned to the Member provided the account has billed twelve (12) consecutive months and has not been issued any delinquent Notices.

Interest on security deposits shall be earned for the time held by the Cooperative and shall be calculated from the date the deposit is received by the Cooperative up to the date the deposit is credited to the Member's account.

If a new or existing Member declines to provide their social security number, they must provide another legal form of identification and a security deposit will be required based on the applicable Rate Classification.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

Calculating Security Deposits:

1. Schedule A, B, and TOD Single phase and three phase services
 - a. Standard Option: The deposit will be three (3) times the average monthly usage for the Rate Classification as determined on an annual basis according to the most recently filed year-end financial and statistical report.
 - b. Auto Pay Option: The deposit will be two (2) times the average monthly usage for the Rate Classification as determined on an annual basis according to the most recently filed year-end financial and statistical report along with signing up for automatic payment.
2. Schedule I Irrigation
 - a. Standard Option: Schedule I Irrigation account deposits will be calculated based on the formula of Demand (kW) X 300 hours (two blocks) X current rate X two (2) months.
 - b. Auto Pay Option: Schedule I irrigation account deposits will be calculated based on the formula of Demand (kW) X 300 hours (two blocks) X current rate X One and one-half (1 ½) months along with signing up for automatic payment.
3. Schedule I TOD Irrigation Time-of-day
 - a. Standard Option: Schedule I TOD account deposits will be calculated based on previous years on/off peak split and the formula of Demand (kW) X 300 hours X current rate X two (2) months.
 - b. Auto Pay Option: Schedule I TOD account deposits will be calculated based on the previous years on/off peak split and the formula of Demand (kW) X 300 hours X current rate X one and one-half (1 ½) months along with signing up for automatic payment.
5. Schedule LP-A and LP-B Large Power
 - a. Standard Option: Large Power commercial deposit requirements: SLVREC will calculate a three (3) month bill based on historical demand X 400 hours (two blocks) X current rate X two (2) months. If no historical demand is available, the projected demand from the New Service will be used to calculate the deposit.
 - b. Auto Pay Option: Large Power commercial deposit requirements: SLVREC will calculate a three (3) month bill based on historical demand X 400 hours (two blocks) X current rate X one and one-half (1 ½) months. If no historical demand is available, the projected demand from the New Service will be used to calculate the deposit along with signing up for automatic payment.
6. Schedule LP A-TOD Large Power Time-of-Day
 - b. Standard Option: Large Power TOD account deposits will be calculated based on previous years on/off peak split and the formula of demand X 400 hours X current rate X two (2) months.
 - a. Auto Pay Option: Large Power TOD account deposits will be calculated based on previous years on/off peak split and the formula of demand X 400 hours X current rate X one and one-half (1 ½) months along with signing up for automatic payment.
7. Non-payment
 - a. First time in 12 months –
 - i. The member must pay the greater of the following:
 - (i) a deposit of two and one-half times (2 ½) times the average of the three highest bills in the prior 12 months of the member's history
 - (ii) standard deposit

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

- ii. The member must pay a deposit equal to 1-month highest bill or the standard automatic pay option (whichever is greater) and sign up for automatic payment.
- b. Thereafter in a 12-month period – The member must pay a deposit of two and one-half times (2 ½) times the average of the three highest bills in the prior 12 months.
- 8. Non-payment – Irrigation and Large Power Accounts
 - a. Standard deposit rates will apply.
- 9. Bankruptcy
 - The Cooperative shall require security deposits of all Members in bankruptcy who desire to continue receiving electric service after the filing date according to the bankruptcy code.

Security deposits will be calculated on the basis of two times the maximum monthly billing or three times the average monthly billing experienced during the preceding twelve months, whichever is greater and shall be made with guaranteed funds. San Luis Valley REC will hold deposits due to bankruptcy for as long electric service is provided or the bankruptcy is discharged at which time San Luis Valley REC's normal security deposit policy will apply.

Upon determination of the amount of the deposit, the Cooperative shall formally Notify the Member of the deposit required for continued electrical service. Deposits that remain unpaid at the end of a 20-day grace period from the date of notification shall be cause for service termination without further Notice.

Prefiling Deposits:

In certain cases, the possibility exists that the Cooperative may be holding security deposits on a Member in bankruptcy to cover debts owed prior to the bankruptcy filings. The Cooperative shall consider these deposits as partial security on any amounts that become due after the filing date only to the extent the deposit exceeds the pre-petition debt.

j) Budget Billing

Members served under all rate classes with the exception of the irrigation rate class and pre-paid metered accounts may elect to pay monthly bills for service on a Budget Billing Plan by signing a budget billing agreement.

Any Member electing the Budget Billing Plan shall pay a monthly amount that is calculated by taking 1/11th of the previous twelve (12) months billing for the first year. After the first year of budget billing, the budget amount is calculated by taking the average monthly usage X the current rate. If your budget status is past due, you will be subject for the standard disconnect procedures. At the twelfth (12th) billing, if the settlement amount is a credit balance, it will be refunded by check. If the settlement is a balance owed by the Member, the total balance will be due and payable on the Due Date indicated on the bill for the settlement month.

To be eligible to participate in the Budget Billing plan, a Member must meet the following requirements:

- i) Have been served by the Cooperative at the Member's current residence for a period not less than one year, and

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

- ii) Owe no amount to the Cooperative for electric service, and
- iii) Execute an "Agreement for Budget Billing Plan."

If the Member is disconnected for non-payment the account shall be removed from the Budget Billing Plan. To be eligible for this budget billing plan in the future, the account must be in good standing for a consecutive twelve (12) month period.

The monthly budget billing amount may be adjusted, at the option of the Cooperative, if either:

- i. The Member's use of electricity changes substantially, or
- ii. The Cooperative has an approved change in electric rates which would change the budget billing amount more than 5%.

The budget billing agreement is for a 12-month period and may be renewed annually.

Members that have opted for a non-standard digital meter on budget billing elect to have their meters read twice a year and will pay the applicable meter reading fee of \$25.00 per reading.

k) Account Transfer Requirements

- 1. No transfer will be completed until both parties have been contacted and transfer date is agreed upon.
- 2. Property owners will be notified of all rental transfers.
- 3. The following information must be received in order for any account transfer to occur:

Legal Name	Address	Phone Number
Social Security Number	Date of Birth	

If new or existing Member declines to provide their social security number, they must provide another legal form of identification and the standard security deposit will be required based on the applicable Rate Classification and will be held until the social security number is provided or the Member moves off SLVREC line.

- 4. A Purchase of Power Agreement will be required. If this agreement is not returned in 30 days, service will be disconnected.

l) New Service Requirements

- 1. Members must provide proof of ownership of the property where the New Service is requested.
- 2. The following information must be received in order for any account transfer to occur:

Legal Name	Address	Phone Number
Social Security Number	Date of Birth	

If new or existing Member declines to provide their social security number, they must provide another legal form of identification and a security deposit will be required based on the applicable Rate Classification.

- 3. A non-refundable service fee of \$250.00 per account will be charged to all applicants requesting New Service prior to staking.
- 4. A Purchase of Power Agreement for a term of 5 years will be required along with all applicable construction costs and security deposit if applicable.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

m) Sales Tax

Electric service is subject to any applicable sales tax and/or franchise fee.

n) Diversion

In any instance of Diversion of Electric Energy, the Cooperative shall compute the electricity used beginning with the date on which the Member began receiving electric service at the location where the Diversion of Electric Energy occurred, unless direct evidence proves the Diversion of Electric Energy commenced at a later date and ending with the date on which wrongful use of electric facilities ceased. The Cooperative will calculate the estimated electricity used during diversion period and will bill the account the estimated electricity used at the appropriate rate in effect at the time of discovery of diversion plus a penalty of two times the electricity charge plus the costs and expenses for damages, investigation, trip fees, (time and mileage for employees and equipment, whichever is greater) as well as a security deposit, if applicable. This shall be immediately due and payable upon presentation to the Member. The Cooperative shall discontinue service to the Member and will not reconnect service until the investigation is complete and all charges have been paid in full. Cooperative will not reconnect this account in a household Members name to avoid paying for these charges. The Member will not be allowed to have a new additional service in their name until all charges are paid.

4) SERVICE

a) General Requirements

The Cooperative will not furnish, install, own or maintain any electrical equipment beyond the Point of Delivery, except the Cooperative will furnish the meter, meter housing or socket and current transformers, when required, to the Member. The Member shall have the meter housing or socket, the electrical service entrance and all other necessary equipment on the Member's side of the Delivery Point. An inspection by the electrical inspector will be required anytime a service has been disconnected longer than 90 days. SLVREC reserves the right to require an electrical inspection at any time if the service appears to be in violation of National Electric Code.

The Member will provide a location for the installation of the Cooperative's meter and other equipment necessary for the Cooperative to provide electrical service.

The Member will install and maintain electric wiring and equipment on the Member's side of the Point of Delivery at the Member's expense and in accordance with all laws, local ordinances, Cooperative rules and regulations and the latest edition of the National Electric Code.

The Member will provide easements for distribution or transmission system equipment in accordance with the Cooperative bylaws necessary to serve electricity to the Member and for the provision of electrical service to other Members of the Cooperative.

A Member may elect to have a non-standard digital meter with no radio transmission capability or remote ready capability, except production meters on electric generating equipment such as solar panels or wind generators, providing:

- i. The Member shall pay an additional meter reading fee of \$25.00 per meter per month.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

- ii. A Member on a time of day rate will be charged a standard trip fee to reprogram the non-standard meter if the Cooperative's time of day rates change.
- iii. Situations requiring a meter read outside of the scheduled periodic meter reads for monthly billing such as name changes will be charged the standard trip fee. This fee will be applied to the account of the person who executed the Non-Standard Meter Election Agreement.

Members electing a non-standard digital meter must execute the Cooperative's Non-Standard Meter Election Agreement.

b) Access

The Member shall allow the Cooperative employees or agents to enter the Member's premises at all reasonable times for the purpose of tree trimming and/or tree removal and installing, reading, inspecting, examining, testing, servicing, repairing, or removing the Cooperative's meters, instruments, facilities, equipment or other property incident to the furnishing of electric utility services to the Member.

c) Liability

The Cooperative shall not be liable for and Member shall indemnify the Cooperative against all claims for damages or injury to persons or property, unless such damage or injury is due to the Cooperative's sole negligence.

d) Cost of Construction

The cost for constructing and installing facilities necessary to adequately supply the service requested by the Member shall include all costs necessary for the extension of primary and secondary distribution facilities, right-of-way, tree trimming, service drops, transformers completely installed, including special housing, supports, lightning arresters, and other protective equipment. The cost of construction quote is valid for 120 days from the date of the agreement.

If unforeseen circumstances should arise during the construction phase that will affect the construction cost quote, the consumer will be notified immediately; however, SLVREC will proceed with the construction unless immediately advised otherwise by the consumer.

e) Consumer Charges

- 1. Cooperative Facilities Damage
 - a. If cooperative facilities sustain damage from an outside party, the part involved will be charged for all costs associated with the repair or replacement.
- 2. Member Requested Upgrades or Changes
 - a. If a member requests changes or upgrades be made to an existing service, the member will be charged according to the equipment/labor charge sheet.
- 3. House Moves and Related Requests
 - a. San Luis Valley REC staking department will generate an estimate for these services at the time the service is requested. Payment must be paid in full before the job is completed. The consumer will be reimbursed if Charge Sheet totals are less than the original estimate or billed if over the estimate.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

4. Trip Fee

- a. The appropriate trip fee will be billed if a cooperative employee is dispatched to a consumer's service location and it is determined that the work is outside the cooperative's maintenance responsibility. Upon determination, a consumer charge form will be generated and submitted for billing.
- b. The cooperative reserves the right to waive charges.

Consumer charges requiring a work order will require a completed consumer charge sheet to be turned over to the staking department for the assignment of a work order number, staking sheet and total cost estimate. The completed work order and cost estimate will be forwarded to the appropriate department for billing. The consumer will be reimbursed if charge sheet totals are less than the original estimate or billed if over the estimate.

Labor hours will be charged accordingly. All equipment charges will be billed on half-hour increments. Mileage charges will be in addition to equipment charges when a special trip is necessary. As determined by REC, mileage charges can be waived.

f) Standard Voltages

The Cooperative provides electric service at the following standard average voltages:

120/240, 240/480, 277/480, 120/208, 7,200/12,470, and 14,400/24,900

The voltage shall be within five percent (5%) plus or minus of the standard adopted.

g) Easements

A properly recorded utility easement will be required for any Line Extension crossing property owned by others and is the responsibility of the Member to obtain. Easements in existing utility easements are not required if such easement is properly recorded. The Cooperative will not begin construction until all easements are obtained. Easements will be provided in accordance with Cooperative Bylaws Article 1.

h) Line Extension

All Line Extensions constructed shall be part of the Cooperative's general Distribution System up to the Point of Delivery. The type and character of construction and the capacity required for an extension shall be determined by the Cooperative's engineering department.

The location of the extension origin and the route to be followed in the construction of an extension shall be determined by the Cooperative's engineering department after due consideration of the engineering problems involved, with the objective of providing the most reliable and cost effective service possible. The origin will not necessarily be the most proximate point to the existing Distribution System from the Point of Delivery. The route selected may not be the shortest distance between connection to the Cooperative's Distribution System and the Point of Delivery.

A non-refundable service fee of \$250.00 will be charged to all applicants requesting New Service.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

i) Construction Standards

Construction, except where modifications are necessary because of existing conditions, will be in conformance with the specifications for transmission and distribution facilities developed by the Rural Utilities Service, U.S. Department of Agriculture and the National Electric Safety Code.

j) Continuity of Service

The Cooperative shall use reasonable diligence to provide a satisfactory, constant, uninterrupted supply of electricity, but does not guarantee or warrant the supply of electricity will not fail or be interrupted or that the voltage or waveform of the electric supply will not fluctuate.

Maintenance, switching, line construction and other operational events may require a planned outage. The Cooperative shall use reasonable diligence to Notify Members of such outages but does not guarantee or warrant the supply of electricity may unexpectedly fail or be interrupted or the voltage or waveform of the electric supply will not fluctuate.

In the event of national emergency or disaster, the Cooperative may, in the public interest, temporarily interrupt service to Members to provide necessary service to civil defense or other emergency service agencies.

The Cooperative shall not be liable for, and Member shall indemnify the Cooperative against, damages or injury occasioned by interruption, failure to commence delivery, voltage, wave form or frequency fluctuations caused by an act of God, the public enemy, inevitable accidents, fire, explosion, strikes, riots, war, delay in receiving shipments of required materials, order of any court or judge granted in any bona fide adverse legal proceedings or action or any order of any commission or tribunal having jurisdiction, or any other act or thing due to causes beyond the Cooperative's control. In no event shall SLVREC be liable for consequential or economic loss damages and Member shall indemnify and save SLVREC harmless from same.

k) Retirements

1. Consumer Request

- b. A Member/property owner can request to retire their service as long as they have fulfilled the 5-year contract.
- c. If at a later date the member who retired the service request service at that location again he/she will be required to pay 100% of the cost to re-construct the service, 100% of the cost incurred to retire service, sign a 5-year contract and pay applicable staking fees.
- d. If the member requests service be reinstalled within a year of retirement they will have to pay back all monthly wires and maintenance charges.

2. Cooperative Request

- b. At the Cooperatives discretion any account that is in arrears and is not made current within 6 months may have the facilities retired/removed.
- c. If at a later date the member whose service was retired for non-payment request service at that location again he/she will be required to pay 100% of the cost to re-construct the service, 100% of the cost incurred to retire service, sign a 5-year contract, and pay applicable staking fees, security deposit and unpaid bill.

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

- d. If the member requests service be reinstalled within a year of retirement they will have to pay back all monthly wires and maintenance charges.

l) Motor Installations

The specifications and operating characteristics of motor installations shall be provided to the Cooperative prior to connection to any service provided by the Cooperative. Unless otherwise agreed in writing between the Member and the Cooperative, all motor installations shall be in accordance with the following provisions:

- i) Service to all motors of less than five (5) Horsepower shall be single-phase.
- ii) Service to all motors of five (5) Horsepower shall be three-phase.

The Cooperative may require the Member to install and maintain, at the Member's expense, protective equipment or devices approved by the Cooperative as are required to limit the effects of any motor operations on the Cooperative's system.

m) Irrigation service limitations

Irrigation service will not be provided to lands that do not have an approved well permit or water court documentation.

n) Yard Light Installation

1. If additional material is required such as a pole and service wire, the member will be charged the entire cost.
2. A trip fee will be charged if the member requests temporary removal of the light.

o) Permanent Service Allowables

The Cooperative will contribute up to the following amounts towards the installation of new Permanent Service:

1. Single Phase \$1,100.00
2. Three Phase Commercial \$2,100.00
3. Three Phase Irrigation \$56.00 per kVA for Irrigation services
4. Large Power

Cooperative's Investment = Annual Revenue / Return Factor

Total Project Cost = Direct Cost + System Cost

Member's Contribution = Total Project Cost - Cooperative's Allowable Investment
Annual Revenue - Annual revenue from the Member computed using estimated billing units less the estimated annual cost of purchased power.

Return Factor - The fixed charge rate, including O&M, Depreciation, Taxes and a return on investment, necessary to convert an annual revenue stream to the total revenue associated with the life of the project.

Direct Cost - The cost of distribution or transmission facilities necessary to provide electric service to the Member, determined by estimating all necessary expenditure, including, but not limited to overhead distribution facilities, metering and rearrangement of existing electrical facilities. This cost includes only the cost

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

of the above-mentioned facilities that are necessary to provide service to the particular Member requesting service and does not include the costs of facilities necessary to meet future anticipated load growth, or to improve the service reliability in the general area for the benefit of existing and future Members.

System Cost - Cooperative's average allocated investment costs and rate base items associated with transmission backbone facilities, distribution substation facilities and distribution backbone facilities as determined from the Cooperative's most recent cost of service.

Payment of 100% of the total estimated construction costs is required before beginning construction. An amount equal to 1/5th of the Member's contribution made in excess of the amount required will be refunded annually for five (5) years on or about the anniversary date of service. The Member's contribution made in excess will be determined based on the Annual Revenue (determined using actual billing units) for the current 12-month period.

Subdivision

At the time of application for service, or as soon thereafter as possible, the subdivider shall submit a detailed description with maps and any other clarifying documents requested by the Cooperative, locating all primary voltage conductors, secondary voltage conductors and location of transformers. The Cooperative reserves the right to make alterations in the plans where required to provide for added safety, compliance with design specifications, or more economic construction. The accepted application shall constitute the scope of the project. No changes on the project shall be allowed without the prior consent of the Cooperative in writing. The developer will pay \$1,000.00 staking fee in order to begin the process. When the cost of construction quote is determined, the subdivision Staking Fee will be applied toward the cost of the project. If no activity has occurred on the project or if the job is cancelled by the Developer within six (6) months of staking, the work order will be cancelled and SLVREC will retain the \$1,000.00 to cover costs associated with staking and estimating.

Subdivision projects shall be designed for the total placement of all primary voltage conductor, secondary voltage conductor, transformers, meters and other distribution equipment such as capacitors, sectionalizers, breakers, etc., as generally accepted engineering practices and Cooperative policies require for subdivisions with lot sizes of five (5) acres or less. For subdivisions with lot sizes greater than five (5) acres the project will be designed for the primary voltage infrastructure and the junction boxes. The subdivider shall be responsible for all costs associated with the installation of the designed system.

At the time the customer applies for a meter the Permanent Service Policy is followed.

For service under this policy, the Cooperative shall require a cash construction deposit from the subdivider or developer in the amount of the estimated total construction cost of providing such service, payable prior to the start of construction. Upon completion of the above construction, the construction deposit will be adjusted to reflect the actual cost of construction as entered into the

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

plant accounts of the Cooperative. If the actual cost is less than the estimated construction cost, the Cooperative will return the difference to the applicant. If the actual cost is greater than the estimated construction cost, the applicant will pay the Cooperative the difference within thirty (30) days following written notice.

The developer must provide the following items to the Cooperative:

1. All properly recorded utility easements required by and satisfactory to the Cooperative. The subdivider shall furnish such easement on each lot or tract.
2. A plat of the development showing easements, roads, all underground facilities, finished grades, and necessary property pins.

Where the estimated revenue as determined by the Cooperative is not sufficient to warrant operations and maintenance of the extension, the Cooperative may require a fixed charge in addition to the general rate applicable to the service or may require the subdivider to advance an amount sufficient to warrant such operations and maintenance. The charge is not refundable.

p) Temporary Service

Services of a temporary nature for which the amount of revenue and permanency of service cannot be assured will be classified as temporary. Such services include, but are not limited to fire wells, circuses, fairs, bazaars, concessions, construction works, speculative ventures such as coal and metal mining, oil and gas production operations during the preliminary or development period, irrigation, industrial development, and commercial enterprises of a speculative character.

Land that has not been irrigated in the previous five years will be considered temporary.

Service to mobile homes will be classified as Temporary Service if it does not meet all the following criteria:

1. The applicant is the land owner where the mobile home is being located.
2. The wheels, axle and tongue have been permanently removed.
3. A water well and sewage system has been installed or city services are connected.

Applicants for Temporary Service will be required to provide an amount equal to the total cost of constructing and removing all facilities necessary to supply the service requested. This amount is nonrefundable.

Temporary Service may be reclassified at the sole discretion of the Cooperative as a Permanent Service upon execution of pertinent contracts and agreements.

q) Electric Heating Load.

To qualify for the TOD rate, total electric heating load must be a minimum 2 KW and controllable by the Cooperative.

5) INTERCONNECTION

a) General

All electric generating equipment connected to the Cooperative's electric system must be installed in accordance with the following codes and standards:

San Luis Valley Rural Electric Cooperative

Electric Service Terms and Conditions

National Electric Safety Code
National Electric Code
IEEE Standard 446-1995
NFPA 110
NFPA 101

b) Temporary and Permanent Emergency Generators

All temporary electric generators must not be directly connected to the Cooperative's system. Equipment, appliances, tools and other electrical apparatus must be directly connected to the temporary generator.

Permanent installation generators must be installed with isolation equipment that prevents the simultaneous connection of the Cooperative's electric supply and the generator's electric supply. The Cooperative must inspect all permanent installation generators. An inspection fee of \$100.00 prior to connection of the service will be charged.

c) Generation over 25kW

Electric generation greater than 25kW which are interconnected with the Cooperative's electric system require a special application. Contact the Cooperative's Engineering department for requirements and applications.

Nothing in this policy shall be construed to prevent this Cooperative from altering, modifying, or amending this policy as it may be deemed necessary or advisable by the board of directors.