

# **HomeWorks Tri-County Electric Cooperative**

## **Member Standards and Billing Practices**

### **For Residential Electric Service**

#### **OBJECTIVE**

The objective of this policy is to ensure the Standards and Billing Practices for members receiving electric service from HomeWorks Tri-County Electric Cooperative are applied fairly and consistently for the Cooperative's members.

#### **R 460.101 Application of policy.**

Rule 1. This policy applies to residential members receiving electric service at their homes, garages, pole barns, residential water pumps and any other type of electric service that pertains to their residential location as long as the service does not require a transformer capacity greater than 30 kVa and it does not serve a business. Standards and Billing Practices for all other types of electric service are covered under Member Standards and Billing Practices – Commercial and Non-Residential Electric Service.

#### **R 460.102 Definitions.**

Rule 2. As used in this policy:

- (a) "Actual meter reading" means an electric meter reading that is based on the member's actual energy use during the period reported and that was performed by a Cooperative representative, by the member and communicated to the company by mail, telephone, fax, on a secure company website, through the internet, or other reasonable means, or that was transmitted to the Cooperative by an automated or remote meter reading device.
- (b) "Applicant" means an emancipated minor or a person 18 years of age or older requesting residential electric service in person at the Cooperative office, in writing, by telephone or fax machine, through the internet, or any other form of communication that allows the applicant to provide the information required by the Cooperative.
- (c) "Billing error" means an undercharge or overcharge that is caused by any of the following:
  - (i) An incorrect actual meter read by a Cooperative representative.
  - (ii) An incorrect remote meter read.
  - (iii) An incorrect meter multiplier.
  - (iv) An incorrect calculation of the applicable rate.
  - (v) A meter switched by the Cooperative or a Cooperative representative.
  - (vi) An incorrect application of the rate schedule.
  - (vii) Another similar act or omission by the Cooperative in determining the amount of a member's bill. An undercharge or overcharge that is caused by a non-registering meter, a meter error, or the use of an estimated meter read or a member read is not a billing error.
- (d) "Billing month" means an electric consumption period of not less than 26 or more than 35 days.
- (e) "Billing specialist" means a representative of the Cooperative who investigates and resolves meter reading discrepancies or errors.
- (f) "Charges for tariff service" means the rates for electric service and other charges.
- (g) "Collection charge" means a charge assessed for the costs associated with sending an employee or agent to a residence to collect a past due payment in lieu of shutoff of service.
- (h) "Complaint determination" means the written decision of the Dispute Resolution Committee.
- (i) "Cooperative" means HomeWorks Tri-County Electric Cooperative.
- (j) "Critical care member" means any member who requires, or has a household member that requires, home medical equipment or a life support system, and who has provided appropriate documentation

from a physician or medical facility to the Cooperative identifying the medical equipment or life support system and certifying that an interruption of service would be immediately life-threatening.

(k) "Member" means a purchaser of electricity that is supplied or distributed by the Cooperative for residential purposes.

(l) "Cycle billing" means a system that renders bills for the Cooperative's service to various members on different days of a calendar month.

(m) "Delinquent account" means an account with charges for electric service that remains unpaid at least 5 days after the due date.

(n) "Eligible low-income member" means a Cooperative member whose household income does not exceed 150% of the federal poverty guidelines as published by the United States department of health and human services or who receives any of the following:

(i) Supplemental security income or low-income assistance through the department of human services or successor agency.

(ii) Food stamps.

(iii) Medicaid.

(o) "Eligible military member" means a Cooperative member, or member whose spouse is in the military who meets all of the following:

(i) Is on full-time active duty.

(ii) Is deployed overseas in response to a declared war or undeclared hostilities or is deployed within the United States in response to a declared national or state emergency and the household income is reduced as a result.

(iii) Notifies the Cooperative of his or her eligibility.

(iv) Provides verification of eligibility if requested by the Cooperative.

(p) "Eligible senior citizen member" means a Cooperative member who meets all of the following criteria:

(i) Is 65 years of age or older.

(ii) Advises the Cooperative of his or her eligibility.

(q) "Energy assistance program" means a program that provides financial assistance or assistance in improving residential energy efficiency and energy conservation.

(r) "Energy usage" means the consumption of electricity.

(s) "Estimated bill" means a bill for service at the premises that is not based on an actual meter reading for the period being billed, but on calculations of how much electricity a member used during the billing period.

(t) "Formal dispute arbitrator" means an independent arbitrator from the area called in to formally investigate a billing dispute, at the Cooperative's expense.

(u) "Formal dispute resolution process" means the next step taken if the member and Cooperative cannot come to an agreement after completing the informal process.

(v) "In dispute" means that a matter is the subject of an unresolved disagreement, claim, or complaint against the Cooperative by a member, or the member's authorized agent.

(w) "Inactive member" means a member who has received the Cooperative's service in the past but is not currently receiving service.

(x) "Informal appeal" means an appeal of a complaint determination to the Dispute Resolution Committee.

(y) "Informal appeal decision" means the written decision of the Dispute Resolution Committee.

(z) "Informal complaint" means a matter that requires follow-up action or investigation by the Cooperative to resolve the matter.

(aa) "Inquiry" means a question regarding a Cooperative matter that is asked by a member and answered by a Cooperative representative, its general manager, or the Board of Directors.

- (bb) "Late payment charge" means a finance, service, carrying, or penalty charge that is assessed by the Cooperative because a bill or portion of a bill is delinquent.
- (cc) "Medical emergency" means an existing medical condition of the Cooperative's member of record or a member of the member's household, as defined and certified by a physician or public health official on official stationary or Cooperative-provided form, that will be aggravated by the lack of electric service.
- (dd) "Meter error" means a failure to accurately measure and record all of the electrical quantities used that are required by the applicable rate or rates.
- (ee) "New member" means a member who has never received the Cooperative's service.
- (ff) "Peak season" means the months of November, December, January, February and March for electric space heating and June, July and August for other electric service.
- (gg) "Positive identification information" means a consistently used appropriate identification such as, but not limited to, a driver's license or ID card issued by a state, U.S. military card or military dependent's ID card, Native American tribal document, or passport.
- (hh) "Power supply cost recovery" means the adjustment in rates to recognize the cost of purchased power and fuel for electric generation.
- (ii) "Remote shutoff or restoration capability" means the ability to terminate or restore service to a premises from another location.
- (jj) "Residential service or use" means the provision or use of electricity for residential purposes.
- (kk) "Satisfactory payment history" means that a member's account was not delinquent more than 1 time in the past 12 months.
- (ll) "Seasonally billed member" means a member who is billed on a seasonal basis in accordance with a Cooperative tariff that is approved by the Cooperative's Board of Directors.
- (mm) "Settlement agreement" means a documented agreement that is entered into by a member and the Cooperative and that resolves any matter in dispute or provides for the payment of amounts not in dispute over a reasonable period of time.
- (nn) "Shutoff of service" means a discontinuance of electric service that is not requested by a member.
- (oo) "Space heating season" means the period between November 1 and March 31.
- (pp) "Termination of service" means a discontinuance of electric service that is requested by a member.
- (qq) "Unauthorized use of electric service" means theft, fraud, interference, or diversion of service, including but not limited to meter tampering (any act which affects the proper registration of service through a meter), by-passing (unmetered service that flows through a device connected between a service line and member-owned facilities), and service restoration by anyone other than the Cooperative or its representative.
- (rr) "Weather adjusted consumption data" means a member's monthly energy usage divided by the number of heating or cooling degree days for that month.

**R 460.103 Discrimination prohibited.**

Rule 3. The Cooperative shall not discriminate against or penalize a member for exercising any right granted by these rules.

**R 460.104 Conduct of proceedings.** This section is deleted

**R 460.105 Additional rules.**

Rule 5. The Cooperative may adopt additional rules governing relations with its members that are reasonable and necessary and that are consistent with this policy. The Cooperative's policies will be an integral part of its tariffs and are subject to approval by the Cooperative's Board of Directors. If there is a conflict between these rules and the Cooperative's rules or tariffs, these rules govern.

## **Part 2. APPLICATION FOR SERVICE**

### **R 460.106 Service requests for new or previous members.**

Rule 6. (1) Applicants for service may become new members or reactivate their existing inactive membership by requesting service in person at the Cooperative's offices, in writing, by telephone, fax, or internet, or other means of communication. Using any of these methods, an applicant shall do the following:

(a) Apply in writing to the Cooperative to update an existing inactive membership or obtain a new membership within a reasonable time of first receiving service.

(b) Provide positive identification information as defined in R 460.102.

(c) Pay a deposit, if required by R 460.109 or R 460.110.

(2) The cooperative will require payment of a delinquent account as a condition of providing or continuing service if the following conditions apply:

(a) The delinquent account is in the member's or applicant's name.

(b) The delinquent account is not in dispute, owed to the Cooperative, and accrued within the last 6 years. The Cooperative will provide the applicant with information on the process to refute or contest the delinquent account.

### **R 460.107 Applicant information.**

Rule 7. (1) The Cooperative may request but will not require anyone other than the applicant to assume responsibility for service. The Cooperative will permit more than one name on the application if requested by the member and agreed to by the second party.

(2) If the applicant is renting the premises for which service is requested, the Cooperative may require proof that the applicant is a tenant. Written or oral confirmation by the manager, landlord, or owner of the property, or a notarized signed copy of the rental agreement is sufficient proof. An applicant may verify a lease by submitting a lease agreement containing notarized signatures of the landlord and tenant, or by providing the Cooperative with contact information for the landlord.

## **PART 3. DEPOSITS AND GUARANTEE TERMS AND CONDITIONS**

### **R 460.108 Prohibited practices.**

Rule 8. The Cooperative will not require a deposit or other guarantee as a condition of new or continued utility service based upon any of the following:

(a) If the member or applicant has a satisfactory credit history with any utility during the previous 6 years.

(b) Income.

(c) Residence location.

(d) Race.

(e) Color.

(f) Creed.

(g) Sex.

(h) Age.

(i) National origin.

(j) Marital status.

(k) Familial status.

(l) Disability.

(m) Any other criteria not authorized by this policy.

**R 460.109 Deposit for new member.**

Rule 9. (1) The Cooperative may require a deposit as a condition of providing service to a new member if any of the following provisions apply:

- (a) At the time of the request for service, the applicant has unsatisfactory credit history or a delinquent bill with any utility that accrued within the last 6 years and that remains unpaid, and is not in dispute.
  - (b) The applicant misrepresents his or her identity or credit standing.
  - (c) The applicant fails to provide positive identification information upon request at the time of applying for new service.
  - (d) The applicant requests service for a location at which he or she does not reside.
  - (e) The applicant engaged in unauthorized use of utility service within the last 6 years, provided that the finding of unauthorized use of utility service was made after notice and is not in dispute.
  - (f) Within the past 3 years, the applicant lived in a residence with a person who accrued a delinquent account for electric service to the shared residence, during the time the applicant lived there, which remains unpaid and is not in dispute, and the person with the delinquent account now resides with the applicant. The Cooperative will advise the applicant of the process by which the applicant can refute this claim.
  - (g) The applicant has sought relief under federal bankruptcy Chapters 10 or 13 within the last 7 years, or Chapter 7 within the last 10 years, or within time periods set by federal law.
- (2) Notwithstanding any of the provisions of subrule (1) of this policy, the Cooperative shall not require a deposit as a condition of providing service to a new member if the department of human services or its successor agency is responsible for making payments to the Cooperative on behalf of the applicant.

**R 460.110 Deposit for a previous member or for continued service.**

Rule 10. (1) The Cooperative will require a deposit as a condition of providing or restoring service to an inactive member or continuing service to a current member if any of the following provisions apply:

- (a) At the time of the request for service, the member or applicant has a prior service account that is delinquent, that accrued within the last 6 years, and that remains unpaid and is not in dispute or if litigation was required to obtain full payment of a utility account that was not in dispute.
- (b) The member or applicant misrepresents his or her identity or credit standing.
- (c) The member or applicant fails to provide positive identification information upon request at the time of applying for service.
- (d) The member or applicant engaged in unauthorized use of electric service within the last 6 years, if the finding of unauthorized use of electric service was made after notice and is not in dispute.
- (e) The Cooperative has shut off service to the member for nonpayment of a delinquent account that is not in dispute.
- (f) The Cooperative has had one or more checks issued from the member's account returned from a financial institution for insufficient funds or no account, or has had one or more payments from the member's debit or credit card or other form of payment denied within the last 12 months, excluding financial institution error.
- (g) The applicant has sought relief under federal bankruptcy Chapters 10 or 13 within the last 7 years, or Chapter 7 within the last 10 years, or within time periods set by federal law.
- (h) Within the past 3 years, the applicant lived in a residence with a person who accrued a delinquent account for electric service to the shared residence, during the time the applicant lived there, which remains unpaid and is not in dispute, and the person with the delinquent account now resides with the applicant. The Cooperative will advise the applicant of the process by which the applicant can refute this claim.

(2) Notwithstanding any of the provisions of subrule (1) of Rule 10, the Cooperative will not require a deposit as a condition of providing service to a previous member or continuing service to a current member if the department of human services or its successor agency is responsible for making payments to a utility on behalf of the applicant.

**R 460.111 General deposit conditions.**

Rule 11. (1) All of the following apply to payment of deposits:

(a) For a primary residence, a deposit that is required under these rules due to a prior outstanding account that is not in dispute or a shutoff for nonpayment will not be more than the average of the highest 5 months during the previous 12 months for the premises or, if the current member's consumption history for the premises is unavailable, twice the Cooperative's system average monthly bill for residential service.

(b) For seasonal properties, a deposit that is required under these rules due to a prior outstanding account that is not in dispute or a shutoff for nonpayment will not be more than the average of the highest 5 months during the previous 12 months for the premises.

(c) The Cooperative will offer an eligible low-income member the option of paying a deposit required under these rules in 2 monthly installments.

(2) Whenever the Cooperative requests a deposit because of an unpaid account incurred in another household member's name for a time when the member and the other person shared a residence, as described in R 460.109(f) or R 460.110(i), the Cooperative will provide the member with notice of the reason for the request, the Cooperative policy that allows the Cooperative to make the request, and the process for refuting the action.

(3) A deposit that is required due to a disconnect for nonpayment within the past 12 months will not exceed three times the average of the highest 5 months during the previous 12 months.

(4) A deposit that is required as a condition of providing, restoring, or continuing service due to unauthorized use of electric service shall not be more than 4 times the average peak season monthly bill for the premises or 4 times the Cooperative's system average peak season monthly bill for residential service if the member's consumption history for the premises is unavailable. The Cooperative may also require payment of the delinquent account and applicable charges as a condition of providing, restoring, or continuing service if the account is in the member's or applicant's name, is delinquent, owed to the Cooperative, and accrued within the last 6 years.

(5) Unless the applicant misrepresents his or her identity or credit standing, or fails to provide positive identification information, if requested, at the time of applying for service, the Cooperative will not assess a deposit if the member has been in service for 365 days (1 year) or more.

(6) The Cooperative will pay simple interest to each member who is required to make a deposit for the time the deposit is held by the Cooperative. The interest rate will be the rate paid on United States savings bonds, series EE, as of the first business day of the calendar year. The Cooperative will credit interest semiannually to the service account of the member or pay it upon the return of the deposit, whichever occurs first.

(7) The member's credit will be established and the Cooperative will return the deposit and accrued interest upon satisfactory payment by the member of all proper charges for electric service for a period of 12 consecutive months. The Cooperative may retain the deposit assessed because of unauthorized use of electric service for a period of 36 months and shall refund the deposit upon satisfactory payment of the final 12 months' charges.

(8) For purposes of this policy, payment is satisfactory if it is made before the issuance of a notice of shutoff of service for nonpayment that is not in dispute, or within 5 days after the issuance of the next succeeding monthly bill, whichever occurs first.

(9) For members terminating service, if the Cooperative has not already returned the deposit, the deposit will be credited, with accrued interest, to the final bill. For members continuing to receive service, the Cooperative may transfer the deposit to another inactive account with a balance, or to an active account that is not in dispute and has an unsatisfactory credit history. The Cooperative will promptly return the balance to the member if the above conditions do not exist.

(10) The Cooperative will maintain an electronic record of all deposits received. The record will show all of the following information:

(a) The name of the residential member.

(b) The location of the premises occupied by the member at the time of making the deposit and each successive location while the deposit is retained.

(c) The date the member made the deposit and the amount.

(d) The dates the Cooperative paid interest and the amounts.

(e) The terms and conditions governing the return of the deposit.

(11) The Cooperative, upon request, will provide the member with a written receipt for the deposit. The Cooperative will provide instructions regarding how a member who is entitled to the return of his or her deposit may obtain the deposit.

(12) The Cooperative will make reasonable efforts to locate members with unclaimed deposits or credits.

(13) The Cooperative will apply deposit standards uniformly to all members. The Cooperative shall provide, to any member who objects to paying a deposit, information on the process to contest the deposit requirement.

**R 460.112 Guarantor agreements.** This rule is deleted

#### **PART 4. METER READING PROCEDURES, METER ACCURACY, METER ERRORS AND RELOCATION**

**R 460.113 Actual and estimated meter reading.**

Rule 13. (1) Except as specified in this rule, the Cooperative will provide all residential members with an actual monthly meter reading as defined in R 460.102. The Cooperative may estimate a meter reading only if an actual meter reading cannot be obtained by any reasonable or applicable method described in R 460.102. If the Cooperative cannot obtain an actual meter reading, then the Cooperative will maintain records of the efforts made to obtain an actual meter reading and its reasons for failure to obtain an actual meter reading.

(2) The Cooperative will estimate member bills only when the Cooperative's estimated bill procedures assure reasonable billing accuracy. A bill that is rendered on an estimated basis shall be clearly and conspicuously identified as such. Any substantive changes to the Cooperative's billing estimation procedures shall be submitted to the Board of Directors for approval.

(3) Notwithstanding the provisions of R 460.113 (1), the Cooperative may render estimated bills to seasonally billed members in accordance with tariffs approved by the Cooperative's Board of Directors.

(4) If the Cooperative estimates a member's bill for 3 or more consecutive months, when an actual meter read is obtained the Cooperative will offer the member the opportunity to pay the bill over the same number of months as consecutively estimated bills. This subrule will not apply if the Cooperative is unable to obtain access to the meter and the member fails to provide a meter reading if requested by the Cooperative.

(5) An estimated bill that is generated because the actual read is outside the range for the premises usage will not be issued in consecutive months. If the Cooperative is actively engaged in resolving the problem, an additional 30 days is permitted to correct the problem and obtain an actual meter reading.

(6) If the Cooperative shuts off service due to non-payment, the Cooperative will complete a final read or, if unable to obtain an actual read after reasonable attempts, the Cooperative will estimate the bill.

**R 460.114 Cooperative representative identification.**

Rule 14. Upon request, the Cooperative representative reading the meter shall provide the member or other household member with appropriate picture identification confirming the representative's employment with the Cooperative.

**R 460.115 Member meter reading.**

Rule 15. The Cooperative may provide each member with the opportunity to read and report energy usage, provided the member accurately reports energy usage on a regular basis. The Cooperative shall provide postage-paid, pre-addressed postcards for this purpose upon request, or the Cooperative may permit members to report meter readings on a secure Cooperative website, by telephone, or other reasonable means. At least once every 12 months, the Cooperative will obtain an actual meter reading of energy usage to verify the accuracy of readings reported in this manner. Notwithstanding the provisions of this rule, a Cooperative representative may read meters on a regular basis.

**R 460.116 Meter accuracy, meter errors, meter relocation.**

Rule 16. (1) Meters with actual readings that are rejected by the Cooperative billing system for 2 consecutive months because they are outside the expected range of the member's usage for the premises will be reviewed by a billing specialist, investigated, and, if necessary, the meter will be repaired or replaced.

(2) Meters recording usage inaccurately will be repaired or replaced by the company. Any meter in service that remains broken as determined by a specific test of the meter or that does not correctly register member usage for a period of 6 months or more will be removed and members will not be required to pay bills generated from these meter readings beyond the 6-month period from the date the meter malfunction occurred. This rule does not alter the provisions of R 460.3613 governing the testing and replacement of electric meters.

(3) Overcharges and undercharges due to electric meter errors will be reconciled in accordance with the provisions of R 460.3403 of the regulations governing technical standards for electric service.

(4) The Cooperative may assess a meter relocation charge in any of the following situations:

- (a) The Cooperative shut off service by disconnection at the street or pole because the Cooperative could not obtain access to the meter.
- (b) The member or another responsible adult refused to permit the Cooperative access to the meter on 2 separate occasions, or on a single occasion if harm is threatened, and the Cooperative has documented requests for access and/or requests for the member to perform a meter reading that were refused.
- (c) The Cooperative shut off service due to unauthorized use of electric service or the member acknowledges personal responsibility and the Cooperative bills the member for unauthorized use of electric service.
- (d) The member requests that the Cooperative relocate the meter.

(5) If the Cooperative moves the meter for reasons other than the reasons listed under subrule (4) of this rule, and the member wants the meter placed in a different location than that selected by the Cooperative, then the member shall pay any additional costs.



## **PART 5. BILLING AND PAYMENT STANDARDS**

### **R 460.117 Billing frequency; method of delivery.**

Rule 17. (1) The Cooperative will send a bill each billing month to its members in accordance with approved rate schedules unless the Cooperative and the member agree to another billing interval. The Cooperative will send a bill to members by mail or email unless the Cooperative and the member agree to another method of delivery.

(2) The member may designate a third party to receive bills, shutoff notices, or other communications from the Cooperative on the member's behalf, if the member submits proper identification and confirmation information for both the member and the third party. The receipt of bills by a third party does not make that party responsible for the bills.

(3) Members who use online billing and payment will have the same rights and responsibilities as members who use paper bills and payment by US mail.

### **R 460.118 Equal monthly billing.**

Rule 18. Upon member request, the Cooperative will bill a member with a satisfactory payment history under an equal monthly billing program, as long as the Cooperative's Board of Directors is assured that the billing program assures reasonable billing accuracy. If a member has a credit balance at the end of the program year, that balance will be rolled into the next program year if the member participates. If the member requests, and the balance is more than \$100.00, the Cooperative will return the credit balance.

### **R 460.119 Cycle billing.**

Rule 19. The Cooperative may use cycle billing if each member receives a bill on or about the same day of each billing month. If the Cooperative changes meter reading routes or schedules by more than 7 days, it will provide notice to affected members at least 10 days before making the change.

### **R 460.120 Payment of bill.**

Rule 20. (1) The Cooperative will permit each member a period of not less than 21 days from the date the bill was sent to pay in full, unless the member specifically requests a different payment date. The Cooperative will not withdraw funds from a member's account before the due date in cases where a member uses an automatic bill payment plan, unless the member agrees to a different period.

(a) A member with an unsatisfactory weighted credit history, based on payment history with the Cooperative, may be required to pay the bill within 10 days of the billing date. The Cooperative will notify the member of any such requirement, in writing, at least 30 days in advance of the first billing under this rule.

(2) The Cooperative will not attempt to recover from any member any outstanding bills or other charges due upon the account of any other person, unless that member has entered into a lawful agreement to pay those bills and charges.

(3) The member has the right to pay any delinquent bill at anytime prior to disconnection in order to preserve uninterrupted service. After proper notice of shutoff under R 460.138 and R 460.141 has been provided, it will be the member's responsibility to contact the Cooperative and arrange payment before disconnection.

(4) Members who receive multiple services from the Cooperative may designate how partial payments will be applied to their accounts. In the event of disconnection or pending disconnection of multiple services, the Cooperative will provide the member with an accounting of the member's charges and give the member the option of restoring one or more services with the appropriate payment.

(5) When a member receiving multiple services receives a disconnect notice, the notice will clearly show the member has both of the following options:

- (a) An extended payment plan for multiple services.
- (b) An extended payment plan to retain either of the services as chosen by the member.

**R 460.121 Payment period.**

Rule 21. (1) The date a bill is sent is the date the Cooperative transmits the billing information to the member. If the last day for payment falls on a Sunday, legal holiday, or other day when the offices the Cooperative regularly uses for the payment of members' bills are not open to the general public, the payment date will be extended through the next business day.

(2) If a member fails to make full payment by the due date, the Cooperative may begin to implement its collection practices including the use of automated telephone calls reminding the member or a third party designated under R 460.117(2) that the bill is past due.

**R 460.122 Allowable charges.**

Rule 22. (1) The Cooperative will bill each member for the amount of electricity consumed and any other approved charges in accordance with the rates and tariffs approved by the Cooperative's Board of Directors.

(2) The Cooperative may assess a late payment charge not more than 2%, not compounded, of the portion of the bill, net of taxes, that is delinquent. The Cooperative will not assess a late payment charge against a member who is participating in a shutoff protection program described in Part 9 of this policy.

**R 460.123 Bill information.**

Rule 23. (1) A bill that is transmitted by the Cooperative will state clearly all of the following information:

- (a) The beginning and ending meter readings and dates for the billing period. A member reading his or her own meter will be encouraged, but not required, to provide this information. The provisions of this rule do not apply if the information is not provided by the member.
  - (b) The units of energy consumed during the billing period and the units of energy consumed during the comparable period the prior year. Upon member request, the Cooperative will provide weather-adjusted consumption data to the member or to a third-party designated by the member.
  - (c) A designation of the rate.
  - (d) The due date.
  - (e) Any previous balance.
  - (f) The amount due for energy usage.
  - (g) The amount due for other authorized charges.
  - (h) The amount of tax.
  - (i) The total amount due.
  - (j) That the rate schedules, the explanation of rate schedules, and the explanation of how to verify the accuracy of the bill will be provided by the Cooperative upon request.
  - (k) That the member should contact the Cooperative regarding an inquiry or complaint about the bill before the due date.
  - (l) The address and telephone number of the Cooperative at which the member may initiate any inquiry or complaint regarding the bill or the service provided by the Cooperative.
  - (m) That the Cooperative is member regulated.
- (2) As an option for members, the Cooperative provides online billing, under the following provisions:
- (a) A member will not be required to use online billing.
  - (b) No enrollment or usage fees will be assessed to a member who chooses to receive bills or member information online.

- (c) The online billing statement will include, at minimum, all information listed in subrule (1) of this rule.
- (d) The Cooperative will maintain a secure and encrypted site to be accessed by the member of record after completing the secure registration process.
- (e) The Cooperative will require that the member use a password or security question to access the online billing system. The Cooperative will not require the member to use his or her social security number to enroll in or access the billing system.
- (f) Any fees to accept online payments will be clearly displayed in the payment window.
- (g) Any payment made online will be treated as a payment to the Cooperative business office.
- (h) Use of the online system will not restrict the member in using other payment methods. All other payment methods will continue to be available to the member.

**R 460.124 Separate bills.**

Rule 24. (1) The Cooperative will transmit a separate bill in conformity with the provisions of R 460.123 for service provided at each service location and will not combine 2 or more accounts without written authorization of the member.

(2) Notwithstanding the provisions of subrule (1) of this rule, if there is shutoff or termination of service at a separate residential metering point, residence, or location in accordance with these rules, then the Cooperative will transfer an unpaid balance to any other residential service account of the member. The Cooperative will have valid identification data that shows the member is the same at both residences and will present that data to the member upon request.

(3) Whenever the Cooperative consolidates accounts under subrule (2) of this rule, the Cooperative will provide the member with a written notice for the consolidation.

**R 460.125 Billing for non-tariff services.**

Rule 25. The Cooperative may include charges for other services, such as appliance repair or appliance protection programs, together with charges for electric service on the same monthly bill if the charges for the other services are designated clearly and separately from the charges for the electric service. Failure to pay for other services the Cooperative provides may result in the termination of that service but not the termination of the electric service. If partial payment is made, the Cooperative will first credit payment to the balance outstanding for electric service in accordance with the provisions of R 460.120(4) and (5) where applicable.

**R 460.126 Billing error.**

Rule 26. (1) If the Cooperative overcharges a member due to a billing error, the Cooperative will refund or credit the amount of the paid overcharge on the bill immediately following the discovery of the error. Upon member request, overcharges greater than \$100 shall be refunded within 30 days. The Cooperative is not required to adjust, refund, or credit an overcharge interest for more than the 3 years immediately preceding discovery of the billing error, unless the member is able to establish an earlier date for commencement of the error.

(2) If the Cooperative undercharges a member, the following provisions apply:

(a) In cases that involve unauthorized use of Cooperative service, the Cooperative may backbill the member for the amount of the undercharge using the Board of Directors approved process for estimating the bill. The Cooperative will charge fees for unauthorized use of utility service in accordance with Board of Directors approved tariffs.

(b) In cases that do not involve unauthorized use of Cooperative service, the Cooperative will back bill the member for the amount of the undercharge during the 12-month period immediately preceding discovery of the error, and the Cooperative will offer the member reasonable payment

arrangements for the amount of the back bill, which will allow the member to make installment payments over a period at least as long as the period of the undercharge.

## **PART 6. VOLUNTARY TERMINATION OF SERVICE**

### **R 460.127 Voluntary termination.**

Rule 27. (1) Subject to the provisions of these rules, a Cooperative member or authorized representative will do all of the following:

- (a) Notify the Cooperative in person, or by telephone, in writing, by fax or on the internet at least 10 business days prior to requested service termination.
  - (b) Allow access to the Cooperative, if necessary, to perform a final meter read.
  - (c) Provide an address and telephone number for final billing at the time of request for a final read.
- (2) The Cooperative will do both of the following:
- (a) Provide a final actual meter reading within 10 business days of the request for termination, or estimate the final reading and offer the member the option to provide an actual meter reading. If the meter is not read within the 10-day time frame the Cooperative will document the reason for no actual reading. An actual meter reading will be obtained by the next normal reading cycle.
  - (b) Schedule the member's final reading within a 4-hour time frame if the Cooperative cannot access the meter.

## **PART 7 COOPERATIVE PROCEDURES**

### **R 460.128 Applicability.**

Rule 28. These procedures apply to all member inquiries, service requests, and complaints that are made to the Cooperative regarding residential electric service and charges.

### **R 460.129 Complaint procedures.**

Rule 29. (1) The Cooperative's Board of Directors, in Board Policy 506, has established procedures that will ensure the prompt, efficient, and thorough receipt, investigation, and, where possible, resolution of all member inquiries, service requests, and complaints and report the resolution of Board-referred complaints to the Board.

(2) The Cooperative will make reasonable attempts to contact the member within 2 business days after referral of a member's complaint from a member of the Board of Directors, and will develop and report to the Board of Directors, within 30 days after referral, its plan for resolution of the complaint.

(3) The Cooperative will provide members who are not satisfied with the Cooperative's resolution of a complaint or inquiry with the telephone number and internet address of the Cooperative's general manager and local district director of the Board of Directors.

(4) The Cooperative will obtain the Board of Directors' approval of any substantive changes to its procedures.

### **R 460.130 Personnel procedures.**

Rule 30. The Cooperative will establish personnel procedures that, at a minimum, ensure all of the following:

- (a) That qualified personnel are available and prepared at all times during normal business hours to receive and respond to all member inquiries, service requests, and complaints. The Cooperative will make the necessary arrangements to ensure that members who are unable to communicate in the English language receive prompt and effective assistance.

(b) That qualified personnel who are responsible for, or authorized to enter into, written settlement agreements on behalf of the Cooperative are available at all times during normal business hours to respond to member inquiries and complaints.

(c) That qualified personnel are available at all times to receive and respond to member contacts regarding any shutoff of service and emergency conditions that occur within the Cooperative's service area.

(d) That the names, addresses, and telephone numbers of personnel who are designated and authorized to receive and respond to the requests and directives of the Board of Directors regarding member inquiries, service requests, and complaints during business hours are current and readily available to the Board of Directors. The Cooperative will also provide a contact for emergency situations that may arise after business hours.

#### **R 460.131 Publication of procedures.**

Rule 31. (1) The Cooperative will prepare a pamphlet that, in easily understood terms, summarizes the rights and responsibilities of its members in accordance with these rules and other applicable provisions of statutes, rules, and tariffs.

(2) The Cooperative will display the pamphlet prominently at all utility office locations open to the general public and make it available to members. The Cooperative will also make the information available on its website. The Cooperative will transmit the pamphlet to each new member upon the commencement of service and will provide it at all times upon request. Where substantial revisions to or new information required by the provisions of subrule (3) of this rule occur, the Cooperative will provide the changes to all current members by a bill insert, revised pamphlet, or by publication in a periodical that is sent to all current members of the Cooperative.

(3) The pamphlet or other publication will contain all of the following information:

- (a) Billing procedures and estimation standards.
- (b) Methods for members to verify billing accuracy.
- (c) An explanation of the power supply cost recovery procedures.
- (d) Member payment standards and procedures.
- (e) Security deposit standards.
- (f) Shutoff and restoration of service procedures.
- (g) Inquiry, service, and complaint procedures.
- (h) Procedures for terminating service.

(4) Each pamphlet shall indicate conspicuously that the pamphlet is provided at the direction of the Board of Directors.

#### **R 460.132 Access to policies and rates.**

Rule 32. (1) The Cooperative will provide to each member, at least annually, all of the following information:

- (a) A notice that complete rate schedules are available upon request.
- (b) A notice that a clear and concise explanation of all rates for which that member may be eligible is available upon request.
- (c) A notice of the availability of company assistance in determining the most appropriate rate if the member is eligible to receive service under more than 1 rate.

(2) The Cooperative will provide to each member, within a reasonable time after it has proposed a general rate adjustment or a times interest earned ratio ratemaking adjustment, all of the following information:

- (a) A notice that the Cooperative's Board of Directors is considering an adjustment to the rates.

- (b) A notice that copies of the Cooperative's rate adjustment proposal are available for inspection at all offices of the cooperative.
  - (c) A notice that an explanation of the proposed adjustment to the Cooperative's rates is available from the Cooperative upon request.
- (3) The Cooperative will provide the notice required by the provisions of this rule either through a publication that is transmitted to each of its members, by a bill insert, or whatever transmission method is used to provide the member's bill and on its website.
- (4) The Cooperative will keep on file, at all offices of the Cooperative, and will provide public access to, all of the following documents:
- (a) A copy of these rules.
  - (b) A copy of all other policies of the Cooperative approved by its Board of Directors regarding member service.
  - (c) Schedules of all residential rates and charges.
  - (d) Proposed rate schedules.
  - (e) Clear and concise explanations of both existing and proposed rate schedules.
  - (f) An explanation of its power supply cost recovery process.
- (5) The Cooperative will post suitable signs in conspicuous locations at all bill payment offices that are operated by the Cooperative or authorized agents calling attention to the fact that the policies, Board directives, rate schedules, proposed rate schedules, explanations of rate schedules, and explanations of proposed rate schedules are on file and available for inspection. Upon request, the Cooperative will provide a copy of these rules, explanations, or schedules to a member without charge.

**R 460.133 Reporting requirements.**

Rule 33. The Cooperative will file with the Board of Directors a monthly report that contains detailed information concerning all of the following:

- (a) The payment performance of its members in relation to established due and payable periods.
- (b) The number and general description of all complaints registered with the Cooperative.
- (c) The number of shutoff notices issued by the Cooperative and the reasons for the notices.
- (d) The number of informal complaints reviewed by the Cooperative's Dispute Resolution Committee, the types of disputes involved, and the number of complaint determinations issued.
- (e) The number of written settlement agreements entered into by the Cooperative.
- (f) The number of shutoffs of service and the number of reconnections.
- (g) Any other member service quality information requested by the Board of Directors.

**R 460.134 Inspection.** This rule has been deleted

**R 460.135 Member access to consumption data.**

Rule 35. The Cooperative will provide to each member, upon request, a clear and concise statement of the member's actual energy usage, and/or weather adjusted consumption data for each billing period during the last 12 months. The Cooperative will provide notice to each member, at least annually, that a member may request energy usage and weather adjusted consumption data.

**PART 8. PROCEDURES FOR SHUTOFF AND RESTORATION OF SERVICE**

**R 460.136 Emergency shutoff.**

Rule 36. Notwithstanding any other provision of these rules, the Cooperative may shut off service temporarily for reasons of health or safety or in a state or national emergency. When the Cooperative

shuts off service for reasons of health or safety, the Cooperative will leave a notice at the premises in accordance with the provisions of R 460.139(a), (b), and (i).

#### **R 460.137 Shutoff permitted.**

Rule 37. Subject to the requirements of this policy, the Cooperative may shut off or terminate service to a residential member for any of the following reasons:

- (a) The member has not paid a delinquent account that accrued within the last 6 years.
- (b) The member has failed to provide a deposit permitted by this policy.
- (c) The member has failed to properly apply for membership in the cooperative pursuant to R 460.106.
- (d) The member has engaged in unauthorized use of Cooperative service.
- (e) The member has failed to comply with the terms and conditions of a settlement agreement.
- (f) The member has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises, or for the removal of a meter.
- (g) The member misrepresented his or her identity for the purpose of obtaining Cooperative service or put service in another person's name without permission of the other person.
- (h) The member has violated any rules of the Cooperative approved by the Board of Directors so as to adversely affect the safety of the member or other persons or the integrity of the Cooperative's system.
- (i) A person living in the member's residence meets either or both of the following criteria:
  - (1) Has a delinquent account for service with the Cooperative within the past ~~3~~-7 (seven) years that remains unpaid and is not in dispute.
  - (2) The member lived in the person's residence when all or part of the debt was incurred. The Cooperative may transfer a prorated amount of the debt to the member's account, based upon the length of time that the member resided at the person's residence. This provision does not apply if the member was a minor while living in the person's residence.

#### **R 460.138 Notice of shutoff.**

Rule 38. (1) The Cooperative shall not shut off service pursuant to the provisions of R 460.141 or R 460.142 unless it sends a notice to the member, by first-class mail, email, or personal service, not less than 10 days before the date of the proposed shut off. The Cooperative will send notice to the member's billing name and address, and to the address where service is provided if the service address is different and the notice can be delivered at that address. The Cooperative will maintain a record of the date the notice was sent.

(2) The Cooperative, upon request, will permit a member to designate a consenting individual or agency to receive a copy of a notice of shutoff.

(3) Not less than 30 days before the proposed shutoff of service to a single-metered dwelling that is used as a residence for 3 or more separate households, the Cooperative will transmit a notice to each dwelling unit that indicates that the member of record, the landlord, has failed to pay an outstanding bill and is subject to shutoff of service on or after a specified date.

#### **R 460.139 Form of notice.**

Rule 39. A notice of shutoff of service shall contain all of the following information:

- (a) The name and address of the member, and the address at which service is provided, if different.
- (b) A clear and concise statement of the reason for the proposed shutoff of service.
- (c) The date on or after which the Cooperative may shut off service, unless the member takes appropriate action.

- (d) That the member has the right to enter into a settlement agreement with the Cooperative if the claim is for an amount that is not in dispute and the member is presently unable to pay in full.
- (e) That the member has the right to file a complaint disputing the claim of the Cooperative before the proposed date of the shutoff of service.
- (f) That the member has the right to request a formal inquiry if the member disputes the reasonableness of the settlement agreement offered by the Cooperative, or if the complaint cannot be otherwise resolved, and that the member must pay to the Cooperative that portion of the bill that is not in dispute within 10 business days of the date that the member requests a formal inquiry.
- (g) That the member has the right to represent himself or herself, to be represented by counsel, or to be assisted by other persons of his or her choice in the complaint process.
- (h) That the Cooperative will not shut off service pending the resolution of a complaint that is filed with the Cooperative, its general manager, or the Board of Directors, in accordance with these rules.
- (i) The telephone number and address of the Cooperative where the member may make inquiry, enter into a settlement agreement, or file a complaint.
- (j) That the member should contact a state or county human services agency immediately if the member believes he or she might be eligible for an energy assistance program or other emergency economic assistance, and should inform the Cooperative of any efforts being made to obtain payment assistance.
- (k) That members who believe they may be eligible for assistance from an energy assistance program should determine if assistance is available before signing a settlement agreement because many agencies will not provide assistance if shutoff is avoided by signing a settlement agreement.
- (l) That the Cooperative will postpone the shutoff of service if a certified medical emergency exists at the member's residence, if the member is an eligible military member, or the member is an eligible low-income member who is actively seeking emergency assistance from an energy assistance program.
- (m) That the Cooperative will require a deposit and restoration charge if service is shutoff for nonpayment of a delinquent account or for unauthorized use of Cooperative service.
- (n) That the member should contact the Cooperative for information about a shutoff protection program.

**R 460.140 Time of shutoff.**

Rule 40. (1) Subject to the requirements of these rules, the Cooperative may shut off service to a member on the date specified in the notice of shutoff or at a reasonable time following that date. If the Cooperative does not shut off service and mails a subsequent notice, then the Cooperative shall not shut off service before the date specified in the subsequent notice. Shutoff shall occur only between the hours of 8 a.m. and 4 p.m.

(2) The Cooperative will not shut off service on a day, or a day immediately preceding a day, when the services of the Cooperative are not available to the general public for the purpose of restoring service and shall not shut off service on a Friday during the space heating season to a member who has defaulted on a shutoff protection program under Part 9 of these rules.

**R 460.141 Manner of shutoff.**

Rule 41. (1) For an involuntary shutoff, at least 1 day before shutoff of service, the Cooperative shall make not less than 2 attempts to contact the member by telephone, if a telephone number is available to the Cooperative, to advise the member of the shutoff and what steps the member must take to avoid shutoff. If the Cooperative uses an automated notification system, it shall document the process for ensuring that at least 2 attempts are made to notify the member of the pending shutoff. If the telephone number is not available, the member has no telephone, or the telephone contacts are not made, the



Cooperative will either leave a notice at the premises advising the member that service will be shutoff on or after the next business day or send notice by first-class mail postmarked at least 5 business days before shutoff of service is scheduled. The Cooperative shall document all attempts to contact the member.

(2) Immediately preceding the shutoff of service, an employee of the Cooperative who is designated to perform that function will identify himself or herself to the member or another responsible person at the premises and announce the purpose of his or her presence.

(3) The employee will have in his or her possession a copy of the delinquent account of the member and request any available verification that the outstanding claims have been satisfied or are currently in dispute. Unless the member presents evidence that reasonably indicates that the claim has been satisfied or is currently in dispute, the employee may shut off service.

(4) The employee may be authorized to accept payment and shall not shut off service if the member offers payment in full, together with a Board-approved collection charge for sending the employee to the premises, if as provided in the Cooperative's schedule of rates and tariffs.

(5) The member may pay in any reasonable manner, including personal check, credit or debit card. Payment by personal check, credit or debit card is not reasonable if the member has paid with a personal check, credit or debit card within the last 12 months and at least 1 check has been returned for insufficient funds or no account, or at least 1 credit or debit card payment has been denied excluding financial institution error.

(6) After notice has been provided in accordance with subrule (1) of this rule, and if the member does not respond, the employee may shut off service.

(7) When the Cooperative employee shuts off service, the employee will leave a notice in a conspicuous place upon the premises. The notice will state that service has been shut off, the address and telephone number of the Cooperative where the member may arrange to have service restored, and that any efforts by the member to restore his or her own service are unlawful and dangerous.

**R 460.142 Manner of shutoff for service provided with remote shutoff and restoration capability.**

Rule 42. (1) For an involuntary shutoff, at least 1 day before shutoff of service, the Cooperative shall make at least 2 attempts to contact the member by telephone, if a telephone number is available to the Cooperative, to advise the member of the pending shutoff and what steps the member must take to avoid shutoff. If the Cooperative uses an automated notification system, it shall document the process for ensuring that at least 2 attempts are made to notify the member of the pending shutoff. If the telephone number is not available, the member has no telephone, or the telephone contacts are not made, the Cooperative will either leave a notice at the premises advising the member that service will be shutoff on or after the next business day, or send notice by first-class mail postmarked at least 5 business days before shutoff of service is scheduled. The notice will conspicuously state that the disconnection of service will be done remotely and that a Cooperative representative will not return to the premises before disconnection. The Cooperative shall document all attempts to contact the member.

(2) If the Cooperative contacts the member or other responsible person in the member's household by telephone on the day service is to be shutoff, the Cooperative shall inform the member or other responsible person that shutoff of service is imminent and the steps necessary to avoid shutoff.

Unless the member presents evidence that reasonably demonstrates that the claim is satisfied or is in dispute, or the member makes payment, the employee will shutoff service.

(3) If the Cooperative mailed the notice of shutoff to the member as provided in subrule (1) of this rule, and if telephone contact with the member cannot be made or if the member did not respond to the notice provided in accordance with subrule (1) of this rule, no further member contact is required on the day service is to be shutoff and the Cooperative will shutoff service.

**R 460.143 Shutoff prohibited.**

Rule 43. The Cooperative shall not shut off service for any of the following reasons:

- (a) The member has not paid for items, such as merchandise, appliances, or services that are not approved by the Board of Directors as an integral part of the electric service provided by the Cooperative.
- (b) The member has not paid for concurrent service received at a separate metering point, residence, or location.
- (c) The member has not paid for a different class of service received at the same or a different location. The placing of more than 1 meter at the same location for the purpose of billing the usage of specific residential energy-using devices under optional rate schedules or provisions is not a different class of service for the purposes of this rule.
- (d) The member, such as a landlord, has not paid for service used by another person, such as a tenant. The Cooperative may shutoff service, however, in any of the following circumstances where proper notice has been given:
  - (1) If the member supplies a written, notarized statement that the premises are unoccupied.
  - (2) If the premises are occupied and the occupant agrees, in writing, to the shutoff of service.
  - (3) If it is not feasible to provide service to the occupant as a member without a major revision of existing distribution facilities. Where it is feasible to provide service, the Cooperative will offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant refuses, the Cooperative may shut off service pursuant to these rules.
- (e) A member or the spouse of a member who is called to full-time active military service by the president of the United States or the governor of Michigan during a time of declared national or state emergency or war, except as otherwise provided in R 460.150.

**R 460.144 Restoration of service.**

- Rule 44. (1) After the Cooperative has shut off service, it will restore service promptly upon the member's request when the cause has been cured or credit arrangements satisfactory to the Cooperative have been made.
- (2) When the Cooperative is required to restore service at the member's meter manually, the Cooperative will make every effort to restore service on the day the member requests restoration. Except for reasons beyond its control, the Cooperative will restore service not later than the first working day after the member's request.
- (3) If the Cooperative is using meter technology with remote shutoff and restoration capability, service shall be restored on the day the member requests restoration, if requested during business hours, except in the case of documented equipment failure.
- (4) The Cooperative may assess the member a charge, including reasonable costs, for restoring service and relocating the member's meter as specified in the Cooperative's approved schedule of rates and tariffs.

**PART 9. ENERGY ASSISTANCE AND SHUTOFF PROTECTION PROGRAMS**

**R 460.145 Listing of energy assistance programs.**

Rule 45. The Michigan Public Service Commission shall provide a listing of all federal and state energy assistance programs and the eligibility requirements of each program to all utilities.

**R 460.146 Notice of energy assistance programs.**

Rule 46. (1) The Cooperative shall annually inform each member of the following information:

- (a) The federal and state energy assistance programs that are available and the eligibility requirements of the programs, as provided to the Cooperative by the commission.
- (b) The medical emergency provisions of R 460.147.
- (c) The shutoff protection programs described in the provisions of R 460.148 and R 460.149.
- (d) The military shutoff protections of R 460.150.

(2) The Cooperative will provide the information required by the provisions of subrule (1) of this rule to residential members. The information in subrule (1) of this rule may be explained on the member's bill, or provided as a bill insert, or other transmittal. This information will also be posted on the company's website. If the Cooperative does not print an explanation on the member's bill, then the Cooperative shall, on the member's bill, direct the member to the bill insert or other transmittal.

(3) If additional information regarding energy assistance programs becomes available after the Cooperative's initial notice to members, the commission will provide that information to all utilities. Within 60 days of receiving the information, the Cooperative will provide the new eligibility requirements or benefits levels for energy assistance programs to all of its members and the new benefit levels to all members currently enrolled in the programs.

(4) When a member receives a past-due notice from the Cooperative, the Cooperative will provide the member access to information about energy assistance programs referenced in subrules (1) and (3) of this rule, which will, at minimum, include a telephone number of a Cooperative representative able to provide this information.

#### **R 460.147 Medical emergency.**

Rule 47. Notwithstanding any other provision of these rules, the Cooperative will postpone the shutoff of service for not more than 21 days if the member or a member of the member's household is a critical care member or has a certified medical emergency as defined in R 460.102. The certificate will identify the medical condition, any medical or life supporting equipment being used, and the specific time period during which the shutoff of service will aggravate the medical emergency. The Cooperative will extend the postponement for further periods of not more than 21 days, not to exceed a total postponement of shutoff of service of 63 days, only if the member provides additional certificates. If shutoff of service has occurred without any postponement being obtained, the Cooperative will unconditionally restore service for not more than 21 days, and will continue the restoration for further periods of not more than 21 days, not to exceed a total restoration of service of 63 days in any 12-month period per household member. Annually, the Cooperative will not be required to grant shutoff extensions totaling more than 126 days per household.

#### **R 460.148 Winter protection plan for low-income members.**

Rule 48. (1) Except where unauthorized use of Cooperative service has occurred, the Cooperative shall not shut off service to an eligible low-income member during the space heating season for nonpayment of a delinquent account, if the member pays to the Cooperative a monthly amount equal to 7% of the estimated annual bill for the eligible member and the eligible member demonstrates, within 14 days of requesting shutoff protection, that he or she has made application for state or federal heating assistance. If an arrearage exists at the time an eligible low-income member applies for protection from shutoff of service during the space heating season, the Cooperative will permit the member to pay the arrearage in equal monthly installments between the date of application and the start of the subsequent space heating season.

(2) The Cooperative may shut off service to an eligible low-income member who does not pay the monthly amounts referred to in subrule (1) of this rule after giving notice in the manner required by these rules. The Cooperative is not required to offer a settlement agreement to an eligible low-income member who fails to make the monthly payments referred to in subrule (1) of this rule.

(3) If an eligible low-income member fails to comply with the terms and conditions of this rule, the Cooperative will shut off service after giving the member notice, by personal service or first-class mail, which contains all of the following information:

- (a) The eligible low-income member has defaulted on the winter protection plan.
- (b) The nature of the default.
- (c) That unless the member makes the payments that are past due under this rule within 10 days of the date of mailing, the Cooperative will shut off service.
- (d) The date on or after which the Cooperative may shut off service, unless the member takes appropriate action.
- (e) That the member has the right to file a complaint disputing the claim of the Cooperative before the date of the proposed shutoff of service by calling the Cooperative.
- (f) That the member has the right to request a formal inquiry if the complaint cannot be otherwise resolved, and that the member must pay to the Cooperative that portion of the bill that is not in dispute within 10 business days of the date that the member requests a hearing.
- (g) That the member has the right to represent himself or herself, to be represented by counsel, or to be assisted by other persons of his or her choice in the complaint process.
- (h) That the Cooperative will not shut off service pending the resolution of a complaint that is filed with the Cooperative, its general manager or Board of Directors in accordance with these rules.
- (i) The telephone number and address of the Cooperative where the member may make inquiry, enter into a settlement agreement, or file a complaint.
- (j) That the member should contact a social services agency immediately if the member believes he or she might be eligible for emergency economic assistance.
- (k) That the Cooperative will postpone shutoff of service if a medical emergency exists at the member's residence and the member provides the documentation as specified in R 460.147.
- (l) That the Cooperative will require a deposit and restoration charge if the Cooperative shuts off service for nonpayment of winter protection monthly amounts.
- (m) That the Cooperative will not shut off service if the member or the spouse of the member is on active military duty.

(4) At the conclusion of the space heating season, the Cooperative will reconcile the accounts of eligible low-income members and permit members to pay any amounts owing in equal monthly installments between April 30 and October 31. The Cooperative will shut off service to eligible members who fail to make installment payments on a timely basis in the manner required by this policy.

(5) Except where unauthorized use of Cooperative service has occurred at a member's premises within the past 2 years and the bill remains unpaid, during the space heating season the Cooperative shall not require an eligible low-income member, whose Cooperative service has been shut off, to pay a fee for restoring service or a security deposit pursuant to the provisions of R 460.109 or R 460.110, before applying for protection under this rule.

(6) Except where unauthorized use of Cooperative service has occurred within the past 2 years at the premises where the member has resided and the bill remains unpaid or safety is a concern, the Cooperative will not require an amount greater than 1/12 of an arrearage owed in order to restore service or initiate participation in the winter protection plan.

(7) Winter protection provisions of these rules do not apply to members who have been shut off or who have a pending shutoff for unauthorized use of Cooperative service within the past 2 years at the member's current premises until all charges are paid in accordance with these rules or satisfactory payment arrangements are made with the Cooperative.

(8) Upon request, the Cooperative will provide members who enroll in the winter protection program with documentation that they are participating in the program.

(9) Bills issued to members participating in the winter protection program will clearly identify the minimum amount that the member must pay to prevent shutoff of service. The Cooperative will bill at higher amounts to recover past due amounts and the Cooperative will encourage members to pay amounts in excess of the minimum, provided that the minimum payment is clearly designated on the bill.

(10) Subject to prior Board of Directors approval, the Cooperative may offer an optional shutoff protection program to its members, provided that the optional shutoff protection program offers eligibility and shutoff protection that meets or exceeds the eligibility criteria and member protections contained in subrule (1) of this policy.

#### **R 460.149 Winter protection plan for senior citizens.**

Rule 49. (1) The Cooperative will not shutoff service to an eligible senior citizen member during the space heating season.

(2) At the member's request, the Cooperative will restore service to an eligible senior citizen member during the space heating season without payment of the amount due, deposits, reconnection fees, or other charges.

(3) At the conclusion of the space heating season, the Cooperative will reconcile the accounts of eligible senior citizen members and permit them to pay any amounts owing in equal monthly installments between April 30 and October 31.

#### **R 460.150 Military protections.**

Rule 50. (1) The Cooperative will not shutoff service to an eligible military member for a period of 90 days. The Cooperative will continue to provide shutoff protection for at least one additional 90-day period as long as the member meets all of the conditions for an eligible military member and requests the Cooperative to do so. After the close of the last 90-day period, the Cooperative shall require the member to pay any past due amounts in equal monthly payments over a period of up to 12 months.

(2) The Cooperative shall provide the eligible military member with information on payment assistance programs.

### **PART 10. DISPUTED CLAIM, HEARING AND SETTLEMENT AGREEMENT**

#### **R 460.151 Disputed claim.**

Rule 51. (1) If a member advises the Cooperative, or if the Cooperative is notified by a member's designee acting on behalf of a member, before the date of the proposed shutoff of service that all or part of a bill is in dispute, then the Cooperative will do all of the following:

(a) Immediately record the date, time, and place the member made the complaint and transmit verification to the member.

(b) Investigate the dispute promptly and completely.

(c) Advise the member of the results of the investigation.

(d) Attempt to resolve the dispute informally in a manner that is satisfactory to both parties.

(e) Provide the opportunity for the member to settle the disputed claim or to satisfy any liability that is not in dispute.

(2) A member may advise the Cooperative that a claim is in dispute in any reasonable manner, such as by written notice, in person, by a telephone call directed to the Cooperative.

(3) The Cooperative, in attempting to resolve the dispute, may employ telephone communication, personal meetings, on-site visits, or any other method that is reasonably conducive to obtaining a settlement.

### **R 460.152 Formal dispute resolution**

If the member and the Cooperative cannot come to an agreement after completing the informal process pursuant to the provisions of P 460.129 and Board Policy 506, an independent arbitrator from the area will be called in to formally investigate the billing dispute, at the Cooperative's expense.

### **R 460.155 Settlement agreement.**

Rule 55. (1) If the Cooperative and the member arrive at a mutually satisfactory settlement of a claim in dispute or if the member does not dispute liability to the Cooperative, but claims the inability to pay the outstanding bill in full, then the Cooperative will offer the member the opportunity to enter into a settlement agreement.

(2) The Cooperative will confirm the terms of the settlement agreement with the member and will send a signed copy of the settlement to the member or the member's authorized representative. The Cooperative will retain documentation of the original settlement agreement for 2 years. In case of a dispute over the terms of a settlement agreement, the Cooperative will have the burden of proving that the member understood and accepted the terms of the settlement agreement.

(3) In negotiating a settlement agreement due to the member's inability to pay an outstanding bill in full, the Cooperative will not require the member to pay more than a reasonable amount of the outstanding bill upon signing the agreement and not more than reasonable installments until the remaining balance is paid.

(4) For purposes of determining reasonableness, the parties will consider all of the following factors:

- (a) The size of the delinquent account.
- (b) The member's ability to pay.
- (c) The time that the debt has been outstanding.
- (d) The reasons that the member has not paid the bill.
- (e) The member's payment history.
- (f) Any other relevant factors concerning the circumstances of the member.

(5) A settlement agreement that is offered by the Cooperative will state, immediately preceding the space provided for the member's signature and in bold print that is not less than 2 sizes larger than any other print that is used on the form:

**"IF YOU ARE SEEKING PAYMENT ASSISTANCE FROM A SOCIAL SERVICE AGENCY, SIGNING THIS AGREEMENT MAY PREVENT YOU FROM GETTING EMERGENCY ASSISTANCE. LET US KNOW IF YOU ARE WORKING WITH AN AGENCY. IF YOU ARE NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN. YOU MAY FILE AN INFORMAL COMPLAINT AND GO THROUGH THE COOPERATIVE'S DISPUTE RESOLUTION PROCESS BEFORE YOUR SERVICE MAY BE SHUT OFF. IF YOU DO SIGN THIS AGREEMENT, YOU GIVE UP YOUR RIGHT TO ANY FURTHER DISPUTE ON ANY MATTER INVOLVED IN THIS AGREEMENT EXCEPT THE COOPERATIVE'S FAILURE OR REFUSAL TO FOLLOW THE TERMS OF THIS AGREEMENT. IF YOU HAVE AN UNEXPECTED LOSS OR REDUCTION OF INCOME AFTER THIS AGREEMENT IS SIGNED, YOU MAY REQUEST A REVIEW AND MODIFICATION OF THIS AGREEMENT."**

### **R 460.156 Default of settlement agreement.**

Rule 56.(1) If a member fails to comply with the terms and conditions of a settlement agreement, the Cooperative will shut off service after giving the member a notice, by personal service or first-class mail, that contains all of the following information:

- (a) That the member is in default of the settlement agreement.
- (b) The nature of the default.

- (c) That unless the member pays in full within 10 business days of the date of mailing, the Cooperative may shut off service.
  - (d) The date on or after which the Cooperative may shut off service.
  - (e) That the member has a right to request formal dispute resolution, only if the member alleges that the Cooperative has failed or refused to follow the terms of the settlement agreement.
  - (f) The address and telephone number where the member may file the request for a hearing with the Cooperative.
- (2) The Cooperative is not required to enter into a subsequent settlement agreement with a member until he or she has complied fully with the terms of a previous settlement agreement, unless the member demonstrates a significant change in economic circumstances and requests a modification of the settlement agreement as provided by R 460.155(5).
- (3) The Cooperative is not required to enter into a subsequent settlement agreement with a member who defaulted on the terms and conditions of an agreement within the last 24 months.
- (4) If the member and Cooperative reach a settlement agreement following a notice of shutoff, the failure of the member to abide by the terms of the settlement agreement during the first 60 days of the agreement constitutes a waiver of the notice required by subrule (1) of this rule. The Cooperative will shut off service after notice as described in the provisions of R 460.138, R 460.139, or R 460.142, if applicable.

**R 460.157 Same dispute.**

Rule 57. The Cooperative may choose not to respond to a member complaint or dispute that involves the same question or issue based upon the same facts, and is not required to comply with these rules more than once before shutoff of service. The Cooperative will provide notice to the member that the complaint has been dismissed under this rule.

**R 460.158 Other remedies.**

Rule 58. Nothing in these provisions shall be construed to prevent a party from pursuing appropriate legal and equitable remedies at any time.

**R 460.169 Scope of rules.**

Rule 69. (1) Nothing contained in these rules covering consumer standards and billing practices shall be implemented in a manner that circumvents or is inconsistent with Cooperative rules, orders, or tariffs approved by the Board of Directors to ensure the safe and reliable delivery of energy service.

(2) Upon written request of a person, Cooperative staff, or on its own motion, the Board of Directors may temporarily waive any requirements of these rules when it determines the waiver will further the effective and efficient administration of these rules and is in the public interest.

Adopted August 1, 2016 to take effect October 7, 2016

Reviewed and updated July 20, 2017