

CHERRYLAND ELECTRIC COOPERATIVE

Member Regulated Billing Rules

February 22, 2011



Cherryland Electric Cooperative

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APPLICATION FOR SERVICE

- (1) Applicants must request service in person at our Grawn office, in writing, by telephone, by fax, or over the internet.
- (2) Applicants must provide acceptable personal identifying information as determined by the Cooperative. Services established are to be in the name of the property owner, occupant and/or estate.
- (3) When you request utility services, you may need to provide information such as your name, social security number, date-of-birth, spouse or roommate's name, service address, and/or valid notarized lease agreement.
- (4) A security deposit may be required.
- (5) The Cooperative may also require payment for delinquent accounts that the applicant accrued in the past, if any, as a condition of providing or continuing service.
- (6) The Cooperative may require other forms of verifying information as deemed necessary.

DEPOSITS

- (1) New: The Cooperative may require a deposit as a condition for providing service to a new member. New member deposits will be based on one or two methods: same rate class averages or historical service location monthly averages. The maximum residential deposit charged shall not exceed \$250.00.
- (2) Previous or Existing: The Cooperative may also require a deposit for a previous or existing member for continued service in the case of a balance transfer, disconnect of service for non-payment, meter tampering, power diversion, non-sufficient funds check, or other activities or misrepresentations that have caused the Cooperative a loss of revenue or are otherwise deemed harmful to the Cooperative.
- (3) When an existing member moves from one location to another and their account is current and serviced by Cherryland Electric Cooperative, the security deposit will be transferred to the new account.
- (4) The Cooperative shall return member deposits to the member upon satisfactory payment by the member of all proper charges for utility service for a period of twelve consecutive months. The Cooperative may, however, retain the deposit beyond twelve months in cases where unauthorized use or abuse of the utility service existed.
- (5) For members terminating service, if the utility has not already returned the deposit, the utility shall credit the deposit to the final bill.

(6) Security deposits paid by third party agencies will not be refunded to members.

METERING

(1) Meters recording usage inaccurately as determined by the Cooperative shall be repaired or replaced by the Cooperative at no expense to the member.

(2) Overcharges and undercharges due to electric metering errors shall be reconciled based on actual usage data, when available, or estimated based on historical usage data, when actual usage data does not exist.

(3) A member can request to have an independent third party test the electric meter servicing their premise. In the case where the meter tests accurate, as defined by Michigan Public Service Commission guidelines, the member shall be charged the full cost of the meter test. When a meter tests inaccurate, as defined by Michigan Public Service Commission guidelines, the Cooperative shall pay the full cost of the meter test.

BILLING AND PAYMENT STANDARDS

(1) The Cooperative shall permit each member a period of not fewer than 21 days from the date the bill was sent in which to pay that bill in full.

(2) The Cooperative shall not withdraw funds from a member's bank account before the due date in cases where a member uses an automatic bill payment plan.

(3) The Cooperative will assess a late payment charge as defined in its rate tariffs.

(4) The Cooperative reserves the right to transfer any unpaid balance(s) from a separate metering point, residence, and/or location, accrued previously by a member, to an address served by the Cooperative at which he or she currently receives electric service.

(5) If the Cooperative overcharges a member due to a billing or metering error, the utility shall refund or credit the amount of the overcharge. The Cooperative is not required to adjust, refund, or credit an overcharge for more than the three years immediately preceding discovery of the error.

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

a) In cases that involve meter tampering or fraud, the utility may back bill the member for the amount of the undercharge, a deposit and field charges plus any additional extraordinary expenses incurred by the Cooperative.

b) In cases that do not involve meter tampering or fraud, the Cooperative may back bill the member for the amount of the undercharge during the eighteen month period immediately preceding discovery of the error, and the Cooperative shall offer the member reasonable payment arrangements for the amount of the back bill, taking into account the period and amount of the undercharge.

PAYMENT METHODS

Cherryland offers a variety of payment options including internet payments, automatic withdrawal programs, mail, in person at our Grawn office, phone and night drop box. For more details visit our website or contact our office.

PAYMENT ARRANGEMENTS

Payment arrangement means a documented agreement entered into by a member and the Cooperative that resolves any matter in dispute, or provides for the payment of amounts not in dispute over a reasonable period of time.

- (1) The Cooperative and its members may enter into a payment arrangement when the member claims the inability to pay an outstanding bill in full.
- (2) The arrangement may include a plan to pay both delinquent and current amounts owed.
- (3) Failure to keep a payment arrangement may result in disconnection of service without additional notice.
- (4) Failure to keep a payment arrangement could prejudice the Cooperative's willingness to enter into future payment arrangements.

BILLING DISPUTE PROCEDURE

For billing disputes that cannot be worked out between the member and the member service representative, or the Collections Department, a member has the right to participate in the Cooperative's formal billing dispute resolution process. Choosing to pursue the billing dispute resolution process may not prevent a pending disconnect for non-payment of a past due bill.

The process for responding to disputed bills is as follows:

- (1) Undisputed bills, or portions of bills, must be paid prior to investigation of disputed bills. Failure to make such payments waives the right to an investigation.
- (2) The Collection Department will investigate the billing dispute as soon as it comes to the attention of the department; will attempt to resolve the dispute in a manner satisfactory to all parties; and will advise the member of its findings.
- (3) If a satisfactory agreement is not reached, the member has the right to appeal in writing their reason(s) for disputing the billing. This appeal must be received from the member within three business days of being notified of the Collection Department's findings. The appeal will be submitted to the Cooperative's standing Dispute Committee.

- (4) The Collection Department will also submit, in writing, to the Dispute Committee their reason(s) for rejecting the member's dispute.
- (5) The Dispute Committee, made up of four utility supervisors/managers, will thoroughly review the information provided by both parties.
- (6) The Dispute Committee will notify the member, in writing, of its findings within five working days of receiving the member's formal dispute filing.

PROCEDURES FOR SHUTOFF AND RESTORATION OF SERVICE

(1) Shutoff permitted. The Cooperative may shut off or terminate service to a member for any of the following reasons:

- (a) The member has not paid a delinquent account.
- (b) The member has engaged in unauthorized use of utility service.
- (c) The member has failed to comply with the terms and conditions of a payment arrangement.
- (d) The member has enclosed partially or completely their meter(s) and/or meter base(s).
- (e) Cooperative personnel are unable to freely access electrical facilities for the purpose of inspection, meter reading, maintenance, replacement of equipment that is installed upon the premises, or for the removal of a meter.
- (f) The member misrepresented his or her identity for the purpose of obtaining utility service.
- (g) The member has violated any rules of the utility so as to adversely affect the safety of the member or other persons or the integrity of the utility system.
- (h) "Name switching" is not allowed and will not prevent service disconnect. The Cooperative reserves the right to disconnect power if a person taking service accumulated a past due balance as a member of the Cooperative at their current or previous service location. The Cooperative reserves the right to transfer any unpaid balances accrued by a member at a different location to the location at which that person is currently taking service, regardless of whether or not that person is currently the member of record. In such situations, the person's name will be added to the account as an active member.

Where a person requests that a residential utility account be placed in his or her name, and where that person has resided and received the benefit of the utility services, that person will be held accountable for any outstanding amount due as a condition of continued electric service to change the name of record on the account.

(2) The Cooperative shall send a notice to the member by first-class mail or electronic

transmission not fewer than ten (10) days before the date of the proposed shut off. The Cooperative shall send notice to the account name and address of record. The Cooperative shall maintain a record of the date the notices were sent.

- (3) 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, unless a prior payment arrangement exists. Shutoff shall generally occur during normal Cooperative business hours.
- (4) For an involuntary shutoff, at least 1 day before shutoff of service, the utility shall have made no fewer than two (2) attempts to contact the member by one or more of the following methods: telephone, first class mail, electronic transmission, or in-person. If the Cooperative uses an automated notification system, it shall document the process.
- (5) The Cooperative will decide if service disconnect will be made in-person at the service location or remotely from the office.

ENERGY ASSISTANCE AND SHUTOFF PROTECTION PROGRAMS

The member assumes responsibility to inform the Cooperative if they qualify for one or more of the following programs:

Medical emergency. A medical emergency describes a situation where a member requires the continuous operation of a life support device(s) which requires electricity to operate. The Cooperative shall postpone the shutoff of service for not more than 21 days if the member of record or a family member is in a critical care situation, providing a doctor's note is presented to the Cooperative two days prior to a planned disconnect of service. The Cooperative shall allow two non-consecutive medical emergency extensions per calendar year. Requests for extensions beyond 21 days will be reviewed by the Collections Department.

Winter protection. This program is for low-income individuals and senior citizens. The program is available to qualifying members during the "Space Heating Season" which is defined as the period between November 1 and March 31.

(1) Low Income. The State of Michigan defines "low income" for the purposes of the Winter Protection Program. Other provisions and considerations of the program include:

- (a) Except where unauthorized use of utility 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 participates in and meets the requirements of the Winter Protection Program. If member fails to meet the requirements of the Winter Protection Program, they will be removed from the program and will not be eligible for the program until the following heating season.

(b) At the conclusion of the space heating season, the utility shall reconcile the accounts of eligible low-income members and permit members to pay any amounts owing in equal monthly installments between April 1 and October 31 in addition to current charges. A utility may shut off service to eligible members who fail to make installment payments in accordance to an established payment arrangement schedule.

(c) 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 utility 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 utility.

(2) Winter Protection Program for senior citizens. A senior citizen is defined as someone at least 65 years of age. Protection applies to the primary residence of the senior citizen, not all accounts under the said member's name. Other provisions and considerations of the program include:

(a) It is the member's responsibility to inform the Cooperative of their senior status.

(b) The Cooperative shall not shut-off service to an eligible senior citizen member during the space heating season.

(c) At the member's request, the Cooperative shall 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.

(d) At the conclusion of the space heating season, the utility shall reconcile the accounts of eligible senior citizen members and permit them to make payment arrangements to pay any amounts owing along with current amounts due between the period of April 1st and October 31.

(e) The utility reserves the right to request proof of age.

Military Protection. Defined as full-time active duty 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. The Cooperative shall not shutoff service to an eligible member for a period of 90 days. The Cooperative shall provide shutoff protection for at least one additional 90-day period as long as the member meets all of the conditions of eligibility and requests an extension. 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.

Notice of energy assistance programs. The Cooperative shall publish annually in Country Lines a listing and explanation of available assistance programs.

VOLUNTARY TERMINATION OF SERVICE

(1) A utility member or authorized representative shall notify the utility in person, by telephone, in writing, by fax or on the internet, prior to requested service termination.

***** END *****

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