

UPSHUR-RURAL ELECTRIC COOPERATIVE CORPORATION MEMBER POLICIES AND SCHEDULES

SECTION I SERVICE POLICIES *Section Revised: 12/16/2025*

1.1 GENERAL INFORMATION

Introduction

These “Service Policies” shall be considered part of Upshur-Rural Electric Cooperatives Corporation’s (“Cooperative”) “Member Policies”. These Service Policies together with other Member Policies, the “Rate Schedules/Riders” (“Schedules”) establish the policies, rules, and fees and charges (“Rates”) applicable to receiving “Electric Service” or “Service” (as defined in these Service Policies) from the Cooperative.

Description of Operations

The Cooperative is a nonprofit Texas electric Cooperative. The Cooperative purchases electricity wholesale and distributes it to Members in all or part of ten (10) East Texas counties.

Statement of Non Discrimination

The Cooperative shall not discriminate on the basis of race, color, nationality, religion, sex, marital status, disability, income level, or legal source of income and shall not unreasonably discriminate based on geographic location.

1.2 DEFINITIONS

Defined terms found throughout the Member Policies shall have the same meaning in the Schedules and throughout the Member Policies. Defined terms found throughout the Schedules shall have the same meaning in the Member Policies and throughout the Schedules.

The following defined terms shall have the following meaning in the Member Policies and Schedules:

1. **Electric Service or Service** - Shall include providing electric energy and/or related services or products.
2. **Governing Documents** - Shall include the Cooperative’s Articles of Incorporation and the Cooperative’s Bylaws and any amendments thereto and such Member Policies, Schedules, and other policies/rules as may from time to time be adopted or amended by the Cooperative’s Board.
3. **Law** - Shall include:
 - (a) Texas Electric Cooperative Corporation Act; and

- (b) any other applicable local, state, and federal constitutions, statutes, ordinances, regulations, holdings, rulings, orders, and similar documents or actions, whether legislative, executive, or judicial.
4. **Membership** - Status as a Member of the Cooperative
 5. **Member Property** - Shall Include:
 - (a) Real or personal property in which the Member holds an interest sufficient to request and utilize Electric Service;
 - (b) real or personal property of the Member that is utilizing Electric Service provided by the Cooperative; or
 - (c) real or personal property owned by the Member.
 6. **Person** - An individual or entity that has the capacity to enter legally binding contracts.

1.3 MEMBERSHIP TERMS AND CONDITIONS

A “**Person**” shall become a “**Member**” of the Cooperative and establish a Membership by requesting Electric Service. By requesting Electric Service a Member agrees to:

1. be a Member of the Cooperative and purchase Electric Service from the Cooperative;
2. comply with and be bound by the “Governing Documents”;
3. allow the Cooperative to access and capture images of Member Property utilizing an unmanned aircraft system (“UAS”), including UAS flights over Member Property, for the purpose of inspecting Cooperative facilities and as necessary to assist the Cooperative in delivering Electric Service;
4. provide the Cooperative access to or use of Member Property for the purpose of: (a) restoration efforts; (b) addressing an emergency situation; and (c) for any other reasonable purpose required to provide Electric Service;
5. in partial consideration for providing Electric Service, pursuant to the Law and any terms and conditions specified by the Cooperative, grant or convey to the Cooperative a written easement, right-of-way, or license for use of Member Property as necessary and as reasonably agreed upon between the Cooperative and the Member for the purpose of providing Electric Service to the Member or one or more other Members; and
6. provide evidence acceptable to the Cooperative that the location where the Member is requesting Electric is a Member Property (i.e., signed lease, closing documents, deed, other evidence acceptable to the Cooperative, etc.).

A Member must also comply with the following applicable conditions to receive or continue receiving Electric Service at any Member Property:

1. provide any information and pay any amounts required under the Member Policies and Schedules as well as any deposits that may be required to establish an account with the Cooperative;
2. complete any additional or supplemental documents, agreements, or actions required by the Cooperative;
3. not have any past or present delinquent accounts with the Cooperative; and
4. comply with all local, state, and national codes, as well as any technical specifications, rules, policies, and regulations of the Cooperative; and
5. shall not request Electric Service for a location that is not a Member Property or for a location with outstanding amounts due the Cooperative by an occupant or prior occupant at the location that is associated with the Member because: (a) Electric Service was consumed at the location in any unlawful manner, or (b) Electric Service was disconnected because of a violation of any of the terms and conditions of the Member Policies and Schedules.

The Cooperative may waive any terms or conditions of Electric Service and provide Electric Service to a Member under or by other terms and conditions that reflect sound cooperative business practice.

The Cooperative may refuse to provide Electric Service if:

1. a Member has engaged in any fraudulent scheme or act to avoid amounts due the Cooperative, including the use of another name or legal entity;
2. a Member attempts to establish Electric Service at a location where an occupant or prior occupant received or continues to receive Electric Service in violation of any of the terms and conditions of the Member Policies and Schedules or has a past due balance with the Cooperative and where the Cooperative can reasonably establish that the attempt to change the Electric Service for the location to the name of the new Member is an attempt to assist the occupant or prior occupant with avoiding or evading payment of any amounts due the Cooperative or to commit fraud against the Cooperative;
3. a Member's installation or equipment is known to be hazardous or of such character that Electric Service cannot be provided in a safe manner as determined by the Cooperative, or does not comply with the requirements of the Member Policies and Schedules;
4. a Member has past or present delinquent accounts with the Cooperative, including any accounts for which Member has acted as a guarantor for another Member; or

5. a Member fails to take such actions as may be required or pay such deposits as may be required to establish an account with the Cooperative as required in the Member Policies and Schedules.

1.4 RENTAL LOCATIONS

Units Separately Metered

Cooperative prefers that individual residential units in apartment complexes, condominiums, or mobile home units, be separately metered.

Landlord Membership and Maintaining Service

Owners, operators, landlords or lessors (collectively, "Landlords") who provide lease or rented units and require continued Service during periods of vacancies shall be required to request Electric Service and shall be considered a Member of the Cooperative, subject to the terms and conditions of Cooperative Membership. After requesting Electric Service and establishing Membership a Landlord requiring continuous Service at a location may request in writing that Electric Service remain connected during vacancies ("Leave-On") at a location. Electric Service at the Leave-On location will be automatically transferred to the Landlord's account on the date Service is discontinued for the tenant. A Landlord will be obligated to pay the applicable charges per the applicable Schedules for the Service at the Leave-On location during all vacancies (i.e. from the time a tenant discontinues Service at a location until a new tenant connects Service at a location).

Service During Vacancy

A tenant, as a Member may request that Electric Service be discontinued at a Service location consistent with the Member Policies. If an account is established as provided in this provision by a Landlord for the location, the Landlord shall be obligated to pay for Service at the Location during any periods of vacancy.

Landlord Continuing Responsibility

A Landlord may terminate a Leave-On request at any time by submitting a writing to the Cooperative. Upon the sale of a property, Landlord is responsible for terminating a Leave-On request in writing for the location. Until a Landlord terminates a Leave-On request for a location in writing the Landlord shall remain responsible for all charges for Electric Service provided to the location or property.

1.5 ACCOUNTS - CREDIT/DEPOSIT

Accounts

Except as otherwise provided in this provision a Member desiring to establish a "Credit Account" with the Cooperative will be required to demonstrate a satisfactory credit history or submit a deposit.

As an alternative to demonstrating satisfactory credit history or providing a deposit a Member may establish a "Prepaid Account" with the Cooperative for receiving Electric Service. A Prepaid

Account is available for Electric Service that is eligible to be classified under one of the Cooperative's prepaid Schedules.

The term "account" shall apply to both a Credit Account and a Prepaid Account in the Member Policies and Schedules.

Satisfactory Credit History

The Cooperative may choose to establish a Credit Account for a Member that can demonstrate a satisfactory credit history. Certain business entity Members may not be allowed to establish a Credit Account based on a satisfactory credit history. In determining if a Member has demonstrated a satisfactory credit history the Cooperative will consider the type of Electric Service requested and the estimated annual charges for the Electric Service requested. Factors the Cooperative shall consider in determining if a Member has a satisfactory credit history shall include but may not be limited to the following:

1. credit rating;
2. payment history to past utilities;
3. having a Credit Account with the Cooperative that has not been delinquent more than two (2) times in the previous twelve (12) months and not had Electric Service discontinued for a delinquent account; or
4. other evidence acceptable to the Cooperative.

The Cooperative may conduct a credit check to determine if the Member has a satisfactory credit history. A Member may opt out of a credit check by submitting a deposit as determined by the Cooperative.

Deposits

To secure payment for Electric Service and to establish a Credit Account with the Cooperative, or in order to continue receiving Electric Service, the Cooperative may require a Member to provide a deposit.

Deposit Amount

Except as provided herein, a deposit for Electric Service in general shall be based on the historical usage at the location where Electric Service is to be provided. The initial Deposit amount required by the Cooperative shall equal two times the average monthly bill for Electric Service based on the historical usage at the location within the past twelve (12) months or a minimum deposit established in the Schedules, whichever is greater. However, deposits collected for Electric Service provided to weekend residences and for temporary or seasonal Service may be sufficient to reasonably protect Cooperative from the assumed risk for providing such type of Electric Service. The Cooperative, at its sole discretion, may offer a payment plan to collect a deposit.

Deposit and Additional Deposit by Existing Members

As applicable a deposit or an additional deposit may be required under the following conditions:

1. if after review of a Member's Credit Account, the Cooperative has determined that a Member's actual use of Electric Service is at least twice the amount the Cooperative originally collected as a deposit;
2. if the Cooperative determines that a Member no longer has an acceptable credit rating or the Member's financial condition exposes the Cooperative to a risk of default on amounts due;
3. a Member's Credit Account has been delinquent two or more times within the previous twelve (12) months;
4. Electric Service has been discontinued for non-payment within the previous twelve (12) months; or
5. a Member commits fraud against the Cooperative to avoid payment of any amounts due the Cooperative.

If an additional deposit is required a Member will be required to submit an amount that will result in a total deposit balance for the location in an amount that shall equal two times the average monthly bill for Electric Service at that location within the past twelve (12) months. If an additional deposit amount is not paid within fifteen (15) days from the date requested, then a Credit Account shall be considered delinquent and Service may be discontinued. The Cooperative, at its option may offer a payment plan to collect an additional deposit.

Adjustments to Credit History and Deposit Requirements

After evaluating the specific facts regarding the Electric Service the Cooperative may choose to adjust or waive the requirements for establishing a Credit Account for Members:

1. Over 65 years of age that can demonstrate that they have not had a delinquent account with the Cooperative or any other electric utility within the previous two (2) years. If a waiver is allowed any reconnection after nonpayment will be subject to the payment of past due balances, deposits and any other fees required.
2. That provide proof of being a victim of family violence as defined in the Texas Family Code. Such proof shall be satisfied by submission of a certification letter from the Texas Council on Family Violence or other similar governmental entity and will only apply to a single location. If a waiver is allowed any reconnection after nonpayment will be subject to the payment of past due balances, deposits and any other fees required.
3. That provide financial assurance or proof of responsibility in another way, if approved by and acceptable to the Cooperative.

The Cooperative, at its sole discretion may only choose to adjust or waive the requirements for establishing a Credit Account at a single location.

Information Concerning Deposits

At the time a deposit is required, the Cooperative shall provide Members with the following information about deposits:

1. the circumstances under which the Cooperative may require a deposit;
2. how a deposit is calculated; and
3. the time frame and requirement for returning the deposit to the Member.

Records on Deposits

The Cooperative shall maintain deposit records containing the following information:

1. the name and address of each depositor;
2. the Member Credit Account to which the deposit applies;
3. the amount and date of the deposit; and
4. each transaction concerning the deposit.

Interest on Deposits

Deposit shall accrue interest at an annual rate determined by the Public Utility Commission of Texas (“Commission”). If a deposit is refunded within thirty (30) days of the date of deposit, then no interest payment is required. If the Cooperative keeps the deposit more than thirty (30) days, payment of the interest shall be calculated from the date of deposit. Payment of interest to a Member shall be made at the time the deposit is returned or credited to a Member’s Credit Account. The deposit shall no longer accrue interest on the date it is returned or credited to a Member’s Credit Account.

Refund and Use of Deposits

Deposits may be refunded as a credit to a Member’s Credit Account or by any other method determined by the Cooperative under the following conditions:

1. the Member’s Credit Account is no longer receiving charges from the Cooperative and the Credit Account is paid in full; or
2. the Member’s Credit Account: (a) has not been delinquent more than two (2) times in the previous twenty-four (24) months; (b) has not been discontinued for non-payment in the previous twenty-four (24) months; and (c) is not currently delinquent.

The Cooperative may allow a Member that transfers Electric Service from one location to another within the Cooperative’s service area to apply any excess deposit towards any deposit required for

the location to which Electric Service is being transferred. The Cooperative will not allow a deposit balance to be utilized towards a deposit required for a new location until all financial obligations for the prior location are satisfied.

The Cooperative may transfer deposit amounts between the accounts of a Member and may utilize any deposit amounts submitted by Member to satisfy any amounts due the Cooperative for any account in the name of a Member.

1.6 CRITICAL SERVICE

Critical Care Designation

If a Member or someone at a Member's location will become seriously ill if Electric Service is discontinued or requires electric-powered life-sustaining equipment ("Medical Need") the Member's location may qualify for a critical care designation and inclusion on the Cooperative's "Critical Service Registry". In order for a location to qualify for a "Critical Care" designation a Member shall provide documentation acceptable to the Cooperative supporting the Medical Need at the location. The Cooperative will consider a letter from a physician supporting the Medical Need as acceptable documentation for a Critical Care designation if the letter: (1) is submitted on the physician's letterhead; (2) identifies the patient; (3) identifies the Member; (4) identifies the patient's address as the Member's location; and (5) confirms the Medical Need.

Expiration of Critical Care Designation

A Member's Critical Care designation for a location will expire one year after being added to the Critical Care registry. One year after a Member's location has been added to the Cooperative's Critical Care Registry the Cooperative may remove the location from the Critical Care Registry at a time the Cooperatives determines to be administratively convenient. Maintaining a location's Critical Care designation shall be the sole responsibility of the Member. A Member requiring a Critical Care designation at a location shall be responsible for providing documentation acceptable to the Cooperative supporting the Medical Need annually for the location to remain on the Critical Care Registry.

Critical Load Designation

As may be required or necessary under the Cooperative's emergency restoration plan the Cooperative will designate certain government, public safety and industrial locations as "Critical Load" and include the locations on the Critical Service Registry. A Member desiring a location under their control to be designated as Critical Load may contact and work with the Cooperative in assessing whether their location qualifies for a Critical Load designation under the Cooperative's emergency restoration plan and the Law.

Member Policies Still Apply

A Critical Care or Critical Load designation does not limit the applicability of any Member Policies or Schedules to a Member or a Member's responsibilities under the Member Policies or Schedules. Specifically, but not limited by the following, a Critical Care or Critical Load designation:

1. Does not relieve a Member of the obligation to pay for Electric Service, and Service may be discontinued if a Member's Credit Account is delinquent or a Member's Prepaid Account reaches a zero balance.
2. Does not guarantee against Service interruptions.
3. Does not guarantee that Electric Service will be restored at a Member's location prior to other Members.

Member Responsible for Continuous Electric Energy

Members with a Critical Care or Critical Load designation at a location are responsible for having an alternate plan to ensure the continuous supply of electric energy at the location. If continuous electric energy is required for a Medical Need or for any life support system, it shall be the responsibility of the Member to install back-up power or other equipment to ensure the continuous supply of electric energy at the location.

Purpose of Critical Care and Critical Load Designations

The Critical Care and Critical Load designations allow the Cooperative to easily identify Members that may need additional assistance or attention when Service interruptions occur. The Cooperative will attempt to notify Members with a Critical Care or Critical Load designation when planning for scheduled outages (maintenance or repairs) and will consider Member locations with a Critical Care or Critical Load designation will be restored according to the Cooperative's emergency restoration plan.

1.7 BILLING

Monthly Billing

Every month, the Cooperative shall render a bill for each Credit Account held by a Member. The bill shall reflect the total amount due on a Credit account, including charges for Electric Service used and any other fees or amounts that may be due the Cooperative.

A bill for Electric Service used and any other amounts that may be due the Cooperative for a Member with a Prepaid Account will not be issued by the Cooperative. A Member with a Prepaid Account may obtain billing information, including charges for Electric Service, other amounts that may be due the Cooperative, and Prepaid Account balances as instructed by the Cooperative.

Fees

A bill may contain charges for certain fees in addition to charges for Electric Service under the applicable Schedules. Fees shall be billed as necessary in accordance with the applicable Schedule for Cooperative fees or any other Schedule applicable to the Electric Service. Any applicable fee, in accordance with the Schedules, may be assessed for any action taken by the Cooperative resulting from a Member's actions, including any trips resulting from an erroneously reported outage where the Cooperative was not at fault.

Estimated Billing

When there is good reason for doing so, the Cooperative may estimate the amount of Electric Service used in order to calculate the amount due on an account.

Failure to Receive Bill

Upon request, the Cooperative shall advise a Member of the Due Date and amount due on a Credit Account and shall issue a duplicate bill. However, failure to receive a bill shall not be considered sufficient reason for not paying an amount due by the Due Date or a waiver of an amount due.

Disputed Bills

If there is a dispute between a Member and the Cooperative regarding the amount due on a Credit Account for Electric Service, the Cooperative shall investigate the disputed amount and report the results to the Member. A Member's Electric Service shall not be discontinued for failure to pay a legitimate disputed amount, as determined by the Cooperative, until the Cooperative resolves the dispute; however, the Member is still required to pay any amount due on a Credit Account that is not in dispute.

1.8 ACCOUNT ADJUSTMENTS

If the Cooperative finds that the amount due on a Member's account has been calculated incorrectly, the account shall be adjusted as follows:

1. If a Member's account is entitled to a refund, an adjustment shall be made for the entire period of the overcharges. The overcharges shall accrue interest from the date of the overpayment at the annual rate established by the Cooperative's Board of Directors for overbillings, compounded annually based on the annual rate, if the Cooperative does not correct the overcharges within three billing cycles of the error. Payments for overcharges corrected within three billing cycles of the error shall not accrue interest.
2. If a Member's account is under-billed because of a failure to receive meter readings, faulty metering equipment, or other circumstances resulting in unreported use, the Cooperative shall estimate the under-billed amount and adjust the Member's account accordingly for up to six (6) months of under-billing. The Cooperative may, however, bill for more than six (6) months of under-billing if it can produce records to identify and justify the additional amount. The Cooperative, at its sole discretion, may offer a payment plan to collect the under-billed amount.
3. If a Member's account is under-billed due to theft by the Member then the Cooperative may bill the Member for the entire duration of the theft and the Cooperative may charge interest on the entire amount that was not collected because of the underbilling. The amounts not collected by the Cooperative because of underbilling due to theft shall accrue interest from the date the theft (tampered, bypassed, diverted, etc.) first occurred at the annual rate established by Cooperative's Board of Directors for underpayments, compounded annually based on the annual rate.

The Cooperative shall not be obligated to make account adjustments to accounts in subsequent months which were due to variations in meter reading dates, estimated meter readings which were beyond the control of the Cooperative, or for Members under the Budget Billing Plan.

1.9 PAYMENT AND COLLECTION

Payment is due and a Member's Credit Account shall be considered delinquent if the Cooperative does not receive payment on the date required by the bill ("Due Date"). If the Due Date falls on a holiday or weekend, then the Due Date for payment purposes shall be the next business day. The Cooperative at its sole discretion may choose to extend the Due Date of a payment to the Member's next Due Date. If allowed by the Cooperative a Member will not be allowed more than two extensions during a twelve (12) month period.

Delinquent Credit Accounts may incur a late payment fee, interest charges, or other applicable fees (i.e. fee for payments returned by a bank). A Member shall incur a fee for any amounts referred to a third party collection agency and shall be responsible for any collection costs, associated with a delinquent account incurred by the Cooperative in addition to the Cooperative's routine collection efforts.

The Cooperative shall subtract from a Member's Prepaid Account balance the amounts for Electric Service used and any other amounts that may be due the Cooperative. Balance requirements and other conditions of Electric Service for a Member with a Prepaid Account are addressed in the applicable Schedules.

1.10 PAYMENT OPTIONS FOR CREDIT ACCOUNTS

Payment Plan

The Cooperative at its sole discretion may choose to offer a "Payment Plan" for any amounts a Member or other party may owe the Cooperative. A Member or other party that is offered a Payment Plan will be required to enter into a "Payment Agreement" with the Cooperative containing the terms and conditions of the Payment Plan, including the specific details of the Payment Plan. Failure to fulfill the terms and conditions of a Payment Agreement with the Cooperative will render a Member's Credit Account delinquent and Service may be discontinued.

Budget Billing Plan

The Cooperative at its sole discretion may offer Members with Electric Service classified under the Schedules for "Residential Service" or "Small Commercial and General Service" a Budget Billing Plan. Only Members that have demonstrated a satisfactory credit history or who the Cooperative has adjusted or waived the requirements to establish a Credit Account may be offered a Budget Billing Plan. Under a "Budget Billing Plan" the Member will be billed monthly based on the average of the current bill, plus the Member's bills for the previous eleven (11) months. Accordingly, the amount due will fluctuate slightly from month to month. A Member's participation in a Budget Billing Plan will not relieve the Member's obligation to pay for all amounts due for Electric Service and the Member will be responsible for any accumulated balance in the Member's Credit Account upon the discontinuance of Electric Service or as otherwise provided in this Budget Billing Plan provision.

A Member desiring to be offered a Budget Billing Plan shall submit a signed “Budget Billing Application and Agreement” (“Budget Billing Agreement”) containing the terms and conditions of the Budget Billing Plan. The Budget Billing Agreement may be terminated by either the Member or the Cooperative upon notification to the other party. Upon termination of the Budget Billing Agreement, any accumulated balance in the Member’s Credit Account shall become due and payable. Failure to fulfill the terms and conditions of a Budget Billing Agreement shall render a Member’s Credit Account delinquent and Service may be discontinued.

1.11 DISCONTINUANCE OF ELECTRIC SERVICE

Disconnection Requested by Member

Discontinuance of Electric Service or “Disconnection” may be requested by a Member at any time. A Member shall notify the Cooperative a minimum of three (3) business days prior to the Disconnection date or the date Electric Service shall be discontinued. A Member shall be responsible for any amounts resulting from the use of Electric Service at the location within three (3) days of the Disconnection date.

Disconnection with Notice

A “Disconnection Notice” shall be mailed, as a separate mailing, at least ten (10) days prior to the stated Disconnection date and notify a Member of all amounts due the Cooperative to avoid Disconnection. The stated Disconnection date shall only fall on a business day and the Cooperative may discontinue Electric Service on any business day after the stated Disconnection date. Electric Service may be discontinued after a Disconnection Notice has been provided for any of the following reasons:

1. a Member’s Credit Account is delinquent;
2. a Member fails to comply with the terms and conditions of any agreement with the Cooperative regarding payment of charges for Electric Service;
3. a Member fails to adhere to or violates any of the terms and conditions of the Member Policies and Schedules; or
4. Any other lawful reason.

Disconnection without Notice

The Cooperative may discontinue Electric Service without a Disconnection Notice for any of the following reasons:

1. when the Cooperative discovers that Electric Service is being obtained in any unlawful manner;
2. if the Cooperative determines that an unsafe or potentially dangerous condition exists for as long as the condition exists;

3. any other lawful reason; or
4. a Member's Prepaid Account balance reaches \$0.

Disconnection for Members with Critical Care Designation

A Member with a Critical Care designation at a location will be contacted prior to a Disconnection date and will be granted an extension to the Member's next Due Date to submit payment for past due amounts. Failure to pay the past due amount in full by the extended Due Date will render a Member's Credit Account delinquent and Service may be discontinued after notice. A Member with a Critical Care designation at a location will not be allowed more than two extensions during a twelve (12) month period.

Disconnection on Holidays or Weekends

Unless a dangerous condition is discovered by the Cooperative, Disconnection shall only occur on a business day when sufficient and appropriate Cooperative personnel are available for making collections and to restore or reconnect Service.

Disconnection during Extreme Weather

Disconnection for nonpayment shall not occur during extreme weather events. An "Extreme Weather Event" is when:

1. the previous day's temperature did not exceed 32 degrees Fahrenheit and the National Weather Service ("NWS") reports that it shall not do so for the next twenty-four (24) hours;
2. there is currently a heat advisory issued by the NWS; or
3. a heat advisory has been issued by the NWS on one of the previous two (2) days.

Liability for Discontinuing Service

If a Member's Electric Service is discontinued for any reason under no circumstance shall the Cooperative be liable for losses incurred by a Member resulting from the Disconnection.

1.12 RECONNECTION OF ELECTRIC SERVICE

The Cooperative shall restore or reconnect Electric Service after a Member has: (1) paid in full any past due amounts; (2) paid any other fees or charges due or required by the Cooperative; and/or (3) remedied any conditions meriting Disconnection. A Member's Credit Account shall incur applicable fees for Electric Service that has been discontinued because of a delinquent account prior to the restoration and reconnection of Electric Service. If a Member remedies the reason for Disconnection, to the Cooperative's satisfaction, and pays any amounts due the Cooperative in full then Electric Service shall be reconnected or restored.

1.13 MEMBER FACILITIES/EQUIPMENT

Point of Delivery

The “Point of Delivery” shall be that point, as determined by the Cooperative, where electric energy leaves the Cooperative’s system and is delivered to a Member. The Point of Delivery shall be accessible to Cooperative personnel at all times.

Member’s Facilities

Except as otherwise provided in the Member Policies and Schedules, a Member shall install, provide, and maintain all devices and equipment, including breaker boxes and wiring beyond the Point of Delivery that are necessary for the Cooperative to provide Electric Service or that the Member may determine is appropriate to satisfy the Member’s electrical service requirements. (“Member Facilities”). Member Facilities shall meet all applicable local, state and national codes and regulations. A Member shall not install wiring or attachments to any part of the Cooperative’s system.

The Cooperative shall not be responsible for maintaining Member Facilities but the Cooperative reserves the right to inspect Member Facilities at any time if there is concern that an unsafe or dangerous condition exists. Except in special situations where the Cooperative may own, maintain and operate electric facilities and equipment beyond the Point of Delivery, the Cooperative shall not be responsible for any other electric facilities and equipment beyond the Point of Delivery.

Motor Horsepower Limitations

Unless another limitation is specified in the applicable Schedule, a Member shall not place single-phase motors in excess of 10-horsepower on the Cooperative’s system without written approval from the Cooperative. The Cooperative may require a Member to provide reduced voltage starting equipment for said motors. The specifications and operating characteristics of motors shall be submitted to the Cooperative for approval prior to utilizing the motor on the Cooperative’s system.

Notice of Equipment Change

A Member shall notify the Cooperative of additional equipment that may change the load characteristics of the Member’s Electric Service. Said notice shall be in writing and shall allow enough time for the modification of the Cooperative’s system and equipment to accommodate the increased load. Any modifications to Member Facilities must be made in accordance with Cooperative policy. A Member shall be responsible for any damage to the Cooperative system and equipment as a result of any increased load.

1.14 METERING AND COOPERATIVE EQUIPMENT

Metering

Except as otherwise provided by the applicable Schedules, a Member’s charges for Electric Service shall be determined based on meter measurements. In general, each meter shall indicate clearly the kilowatt-hours or other units of electric energy for which charges are assessed.

Metering Equipment and Other Equipment

The Cooperative shall install, own, maintain and operate all metering equipment and devices used to measure electric energy sold to a Member. The Cooperative's metering device may be beyond the Point of Delivery and shall be accessible to Cooperative personnel at all times.

The Cooperative utilizes an Advance Metering Infrastructure ("AMI") for providing Electric Service and will determine the type of meter that will be installed at the Point of Delivery. Member understands that AMI allows the Cooperative to monitor and obtain information about Member's energy consumption. Member consents to the Cooperative's use of AMI and understands that opting out of the use of AMI may be an option available to Member. If permitted by the applicable Schedules a Member may request a non-standard meter not utilized by the Cooperative's AMI (each, herein a "Non-Standard Meter") that will require Cooperative personnel to manually read the meter. A Member requesting and utilizing a Non-Standard Meter shall incur a Trip Fee to set-up the Non-Standard Meter and a Trip Fee monthly for manually reading the Non-Standard Meter.

The Cooperative may also install, own, maintain and operate electric facilities and equipment beyond the Point of Delivery, such as outdoor lights and demand response devices.

Meter Testing

The Cooperative may test a meter, at its discretion, at any time during normal business hours at no cost to the Member.

A Member may request a meter test at any time. The Member, or an authorized representative, has the right to be present during the meter test. The Cooperative shall give the Member reasonable notice of the date and time that the meter is to be tested. If a meter test is requested within four (4) years of a test previously requested and the meter is found to be within the accuracy standards established by the American National Standards Institute, Inc., then the Member's account shall incur charges for the cost of and/or fees for the requested meter test. If a meter is deemed to be inaccurate it shall be replaced and the Member's account shall be adjusted based on estimated usage.

In the event a Member requests a test that is not normally provided by the Cooperative, such test shall be performed upon the Member's agreement to pay for all costs associated with such test.

Meter Tampering

No person, except for Cooperative personnel, shall alter, remove, or make any connections to the Cooperative's meter or Electric Service facilities/equipment. A Member's account shall incur a fee plus estimated charges for energy consumed where the Cooperative determines that meter tampering has occurred. The Cooperative may also charge a Member for any other costs resulting from the meter tampering. The Cooperative shall charge a fee to reset the meter when the Cooperative satisfactorily determines that Electric Service can be restored to a Member.

Tampering or Alteration of Cooperative's System and Equipment

The Member shall not alter or tamper with the Cooperative's system and equipment or cause such to be altered or tampered with. The Cooperative shall presume that a Member has tampered with the Cooperative's system and equipment if:

1. electric energy has been diverted from passing through a meter;
2. electric energy has been prevented from being correctly recorded by a metering device;
or
3. electric energy has been activated by a device installed to obtain electric energy without a metering device.

Member's Responsibility for Cooperative's Electric Facilities and Equipment

A Member shall be responsible for any damage to, or loss of, Cooperative electric facilities and equipment, located on the Member Property, unless such damage or loss is beyond the control of the Member. A Member shall be responsible for all costs associated with repairing the Cooperative's electric facilities and equipment, including outdoor lights and any demand response devices damaged as a result of the Member's actions.

1.15 CLASSIFICATION OF ELECTRIC SERVICE AND SPECIAL CIRCUMSTANCES

Electric Service Classification

Electric Service shall be classified according to the Schedules established by the Cooperative's Board of Directors. The Cooperative shall determine and select the proper classification and Schedule(s) for a Member based on the information and electrical requirements/load characteristics provided by the Member. The Cooperative shall not be responsible for making sure a Member's Electric Service is classified under the most favorable Schedule(s) and a Member shall be responsible for notifying the Cooperative of any change to the Member's electrical requirements/load characteristics that would merit Electric Service being re-classified under a different Schedule(s). However, the Cooperative may re-classify a Member's Electric Service under a different Schedule(s) at any time if the Cooperative discovers the Member's actual electrical requirements/load characteristics merit Electric Service being re-classified.

Idle Service

Where Electric Service has not been connected or has been discontinued but where electric facilities and equipment remain in place the Service shall be considered "Idle Service". The applicable Schedule(s), as determined by the Cooperative, shall still apply to Idle Service.

The Cooperative retains the right to remove, at its convenience, any idle electric facilities and equipment. If a Member requires idle electric facilities and equipment to remain in place, then the Cooperative may leave the electric facilities and equipment in place, provided that the Member shall be responsible for any amounts due under the applicable Schedules or any monthly minimum charge, as determined by the Cooperative.

Special Contracts for Electric Service

The Cooperative may negotiate and execute an Electric Service contract with a Member who has unusual or unique power requirements or that has a legal and economically viable alternative source of power to serve all or a portion of their power requirements. An Electric Service contract

with a Member may include Rates and a rate schedule developed specifically to meet the energy/power requirements of the Member and may contain terms and conditions that differ from the Member Policies and Schedules.

1.16 DELIVERY OF ELECTRIC SERVICE

Electric Service shall be supplied by the Cooperative as alternating current, 60 Hertz, at available secondary voltages. The Cooperative shall furnish single- or three-phase Electric Service at standard secondary voltages, as follows:

1. Single-Phase: 120/240 Volt
2. Three-Phase: 120/208 GNDY or 277/480 GNDY

The Cooperative reserves the rights to determine whether or not alternate voltage configurations, different from those stated above, are acceptable. A Member shall be responsible for any amounts required to provide alternate voltage configurations if determined acceptable by the Cooperative. Transmission or distribution voltages used to transmit electric energy shall not be available to Members except under special contract.

1.17 CONTINUITY OF ELECTRIC SERVICE

Service Interruptions

The Cooperative strives to provide continuous Electric Service but makes no guarantees against interruptions. Members shall be responsible for reporting Service interruptions that are not attributable to Member Facilities.

Continuous Service, Member's Responsibility

If continuous Electric Service at a constant voltage is required, a Member must install the necessary equipment. Should a Member require three-phase Service, the Member shall be responsible for providing and operating such protective equipment as is necessary to protect equipment from damage resulting from the loss of power to one or more phases.

Emergency Interruptions

In the event of a national emergency or local disaster resulting in disruption of normal Electric Service, the Cooperative may, in the public interest, interrupt Electric Service to other Members in order to provide necessary Electric Service to civil defense or other emergency service agencies on a temporary basis until normal Electric Service to these agencies can be restored.

Maintenance Interruptions

The Cooperative reserves the right to interrupt Electric Service for the purpose of making changes, improvements, repairs, or extensions on any part of its lines, machinery, plant, or system, without notifying Members first.

No Liability for Continuity of Electric Service

The Cooperative does not insure, guarantee, or warrant that it shall provide adequate, continuous, or non-fluctuating electric energy or other Electric Service. The Cooperative is not liable for damages, costs, or expenses, including attorney fees or legal expenses, caused by inadequate, non-continuous, or fluctuating electric energy, including Service interruptions.

1.18 MEMBER'S USE OF ELECTRIC SERVICE

Resale of Electric Service

Members shall not resell Electric Service to any other Member, person, or entity without approval from the Cooperative. Members shall not extend electric facilities to an adjacent property without written approval from the Cooperative.

Intermittent Electric Service

If a Member's use of Electric Service creates intermittent or major power fluctuations on the Cooperative's system or otherwise adversely impacts the operation of the Cooperative system, the Cooperative may require the Member to correct such a condition at the Member's expense or may discontinue Electric Service without notice.

Power Factor

The Cooperative may require a Member to maintain a certain power factor.

1.19 ELECTRONIC TRANSACTIONS WITH MEMBERS

If a Member owns, controls, or has reasonable access to the hardware, software, and service required to use, accept, access, and retain electronic records and signatures, and to conduct transactions electronically, then, as requested by the Cooperative, Member consents to using or accepting electronic records or signatures relating to any transaction with Cooperative, and conducting transactions with the Cooperative electronically.

1.20 MEMBER INFORMATION AND PRIVACY

Purpose for Collecting and Maintaining Information

The Cooperative respects the privacy and confidentiality of Member information. The Cooperative collects and maintains information about Members that is suitable for the purposes of providing Electric Service and conducting the business of the Cooperative consistent with electric cooperative industry principles and practices.

Information Collected

Member information is collected only through lawful and fair means. Appropriate Member information that is collected and maintained as part of the Cooperative's records includes, but is not specifically limited by the following:

1. Information for communicating with a Member, including a Member's name, address, telephone number, e-mail address, etc.

2. Information for establishing an account with the Cooperative, including a Member's Social Security number, driver's license number, date of birth, credit information, financial account information, payment history, etc.
3. Information about the consumption of energy and use of Electric Service at a location collected by the Cooperative's Advance Metering Infrastructure, other metering devices not included as part of AMI, or other means (e.g. account notes, construction reports, staking sheets, etc.). Information collected may include information about Member Property (e.g., appliance types, appliance consumption, load data, Member Property hazards or other information helpful to the Cooperative when accessing Member Property).
4. Information about the capital and patronage account of Members and former Members, including contact information for former Members, collected over time as a result of Cooperative Membership requirements.
5. Information obtained from Member surveys conducted by the Cooperative to identify needs or improve Cooperative operations and Electric Service.
6. Information about computing hardware and software/applications that is automatically collected when a Member utilizes the Cooperative's website or other platforms for interacting with and obtaining information from the Cooperative (e.g. tablet and phone applications). This information can include: Member's Internet Protocol ("IP") addresses, Media Access Control ("MAC") addresses, browser type, domain names, access times, and referring website addresses. The Cooperative may also collect user names and passwords utilized on the Cooperative's website or other platforms for interacting with and obtaining information from the Cooperative.
7. Information collected from third parties that provides services to the Cooperative or that the Cooperative interacts with such as credit agencies and financial institutions.
8. Additional information about a Member or Member Property provided to the Cooperative by a Member or obtained by the Cooperative through other services, plans, or programs offered by the Cooperative or its affiliates (e.g. photos, medical conditions, biometric data, etc.).

Personal Information

Member information maintained by the Cooperative includes "Personally Identifiable Information" or information that can be used to distinguish or trace a Member's identity, including information that is linked or linkable to a Member (e.g. name, social security number, date of birth, mother's maiden name, medical condition, employment information, etc.). ("Personal Information").

Use and Retention of Information

The Cooperative utilizes Member information in responsible ways in order to provide Electric Service and conduct the business of the Cooperative consistent with electric cooperative industry

principles and practices. Member information may be utilized, but is not specifically limited by the following uses: (1) administering Member accounts; (2) informing Members about their energy consumption and use of Electric Service; (3) providing Members with outage information, peak alerts, and warning messages; (4) communicating with Members about programs, plans or opportunities that may be of interest to them; (5) providing Cooperative publications; (6) improving Cooperative operations and the provision of Electric Service; and (7) operating the Cooperative on a cooperative basis.

Information about a Member's consumption of energy and use of Electric Service at a location may be compiled in aggregate form so that a Member's daily energy consumption habits are not revealed, and such data may be used by the Cooperative to improve the Cooperative's operations and provision of Electric Service.

The Cooperative retains Member information, including energy consumption data, in such amounts and for such periods of time as required by Law or necessary to provide Electric Service and conduct the business of the Cooperative.

Security

The Cooperative maintains Member information with reasonable and appropriate technical, administrative, physical and cyber safeguards to protect against loss, unauthorized access, destruction, misuse, modification, and improper disclosure of the information. Members are warned, however, that no system can ever be fully protected against every possible scenario that could result in a breach of Member information.

Disclosures to Third Parties

Except as otherwise provided in this provision the Cooperative does not share Personal Information with a party that does not assist the Cooperative in providing Electric Service or in conducting the business of the Cooperative without the prior written consent of the Member. Member information may be disclosed to affiliates or contractors for services that support the Cooperative in providing Electric Service and conducting the business of the Cooperative (e.g. electric cooperative educational initiatives, electric cooperative publications, construction and maintenance contractors, billing services, collection services, legal services, accounting/auditing services, etc.). Member information, may also be shared with other utilities under shared service agreements or to meet operational requirements. Information will only be disclosed to such Persons to the extent necessary to render the services provided to the Cooperative.

The Cooperative may disclose to and share Member information with commercial and consumer credit reporting agencies for credit-related activities (e.g., the reporting of bad debts).

Sufficiently aggregated Member information may be disclosed to third parties where necessary or beneficial for the Cooperative's operations.

Member information may be disclosed when authorized or required by Law, including in response to a search warrant, subpoena, or court or law enforcement order. Disclosure of Member information may also be made when appropriate to protect the Cooperative's legal rights or in situations involving an imminent threat to life or property. The Cooperative will take reasonable

steps to limit the scope and consequences of any disclosure of Member information.

Member information may be shared with affiliates and partners of the Cooperative that offer products and services of interest to Members. A Member may request that their Personal Information not be shared with affiliates or partners offering products and services. Nevertheless, the Cooperative does not sell, rent, loan, exchange, or otherwise release Personal Information to non-affiliated third parties or partners for their marketing purposes, without a Member's prior written consent.

Disclosures to Other Cooperative Members

Member information may be disclosed to a Member of the Cooperative when a Member gains access to Cooperative records as provided in the Member Policies. The Cooperative will take reasonable steps to limit the scope and consequences of any disclosures to other Cooperative Members. Personal Information disclosed to another Member will be limited to information that may be included on a Cooperative Membership list as provided in the Member Policies.

Accessing Your Member Information

The Cooperative is committed to maintaining accurate, complete, timely, relevant, and appropriate information about Members for the purpose for which the Member information is used. The Cooperative generally permits Members to access and seek correction of their Personal Information that is maintained and used by the Cooperative to provide Electric Service and conduct the business of the Cooperative.

A Member with questions about accessing, correcting or other matters related to their Member information should contact the Cooperative with their specific questions for further instructions.

Member Instructions and Cooperative Contact Information

A Member providing the Cooperative with written consent to share their Personal Information or requesting that their Personal Information not be shared should utilize the Cooperative's contact information provided below.

A Member with any questions regarding Member information and privacy is encouraged to contact the Cooperative utilizing the following contact information:

Member Service Numbers:

903.843.2536

800.259.2536

Address:

Upshur Rural Electric
Cooperative Corporation
PO Box 70
1200 W. Tyler Street
Gilmer, TX 75644

1.21 MEMBER COMPLAINTS

Submitting Complaints to Cooperative

Member complaints must first be submitted to Cooperative personnel. A Member complaint may be made in person at any of the Cooperative's offices, by telephone, or in writing. However, if a

Member desires a written response to a complaint, then the complaint must be submitted in writing. Any official and authoritative Cooperative response to a complaint submitted in writing shall be approved by Cooperative management and shall be in letter form on Cooperative letterhead that will be mailed, faxed, or provided as a secure document via electronic means.

Board Consideration of Complaints

If a Member is not satisfied by the Cooperative's resolution or response to a complaint, then the Member may submit the complaint in writing to the Board for consideration. The Board will only consider complaints that are submitted to the Board in writing.

If a Member is not satisfied by the Cooperative's resolution or response to a complaint, then the Member may also present the complaint to the Board in person for consideration. In order to meet with the Board regarding a complaint, a Member must submit the complaint in writing to the Board and request a meeting with the Board by following any procedures the Board has established for a meeting with the Board. The Board may ask questions about the complaint but may choose not to deliberate the merits of the complaint or provide a response to the complaint during a meeting with a Member.

The Board will provide a response to a complaint after the Board has had adequate time to investigate, consider and determine an appropriate response to the complaint.

1.22 MEMBER ACCESS TO COOPERATIVE RECORDS

Only Members may inspect and/or obtain copies of Cooperative records. A Member shall have access to the following documents without making a formal request: (1) Articles of Incorporation; (2) Bylaws; (3) annual reports; and (4) Cooperative publications.

In order to inspect all other Cooperative records, a Member of the Cooperative must submit a formal request on a form provided by the Cooperative. Said form shall include an affidavit in which the Cooperative Member affirms that the information sought is for a proper purpose that serves the interests of the Cooperative and its Members. Depending on the nature of the information sought a Cooperative Member may also be required to execute a reasonable nondisclosure or confidentiality agreement relating to the Cooperative records inspected or copied. Any responses to a formal request shall be in writing and shall not be provided in a simple email response. A response to a formal request shall be in letter form on Cooperative letterhead and mailed, faxed, or provided as a secure document via electronic means. A Cooperative Member requesting information shall be responsible for all costs associated with the request such as copying costs and labor.

A Cooperative Membership list provided by the Cooperative shall only include the names, addresses, and Director Districts of Cooperative Members. The Cooperative shall not release any information that is considered to be confidential, proprietary, or protected by agreement.