

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

1st Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 10

Original SHEET NO. 1

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RULES AND REGULATIONS

1. **SCOPE** - This Schedule of Rules and Regulations is a part of all contracts for receiving electric service from the Cooperative and applies to all service received from the Cooperative whether the service received is based upon a contract, agreement, signed application, or otherwise. No employee or individual director of the Cooperative is permitted to make an exception to rates or Rules and Regulations. Rates and rules for service may be obtained from the Cooperative's office.
2. **REVISIONS** – These Rules and Regulations may be revised, amended, supplemented or otherwise changed from time to time without notice. Such changes, when effective, shall have the same force and effect as the present Rules and Regulations. The members shall be informed of any changes as soon as possible, after adoption by the Board of Directors, through the Cooperative's monthly newsletter.
3. **MEMBER'S RESPONSIBILITY FOR COOPERATIVE'S PROPERTY** – All meters, service connections, and other equipment furnished by the Cooperative shall be, and remain, the property of the Cooperative. The member shall exercise proper care to protect the property of the Cooperative on its premises and, in the event of loss or damage to the cooperative's property arising from neglect of member to care for same, the cost of necessary repairs or replacements shall be paid by the member. (T)
4. **CONTINUITY OF SERVICE** – The Cooperative shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy. However, if such supply shall fail or be interrupted or become defective through act of God, or public enemy, or by accidents, strikes, labor troubles, or by action of the elements, or inability to secure rights-of-way or other permits needed, or for any other cause beyond the reasonable control of the Cooperative, the Cooperative shall not be liable therefore.
5. **RELOCATION OF LINES BY REQUEST OF MEMBERS** - The Cooperative's established lines shall not be relocated unless the expense for moving and relocating is paid by the member, except in instances where it would be to the advantage of the Cooperative to make such relocation, as determined by the sole discretion of the Cooperative. (N)
6. **APPLICATION FOR SERVICE** – Each prospective member desiring electric service shall be required to sign and submit the Cooperative's "Application for Membership and Electric Service," before service is supplied by the Cooperative and provide the Cooperative with necessary easements or right-of-way permits. In conjunction with a prospective member's application for service or thereafter, the Cooperative may require such reasonable information and documentation relevant to the service or parties as it deems appropriate, including (but not limited to) load and use details, permits, easements, rights-of-way, Social Security or federal tax identification numbers, birth dates, telephone numbers, addresses, and places of employment. (N) ↓
7. **MEMBERSHIP FEE** -The membership fee as set forth in the By-Laws shall be twenty-five dollars (\$25). Upon discontinuance of service to a member, the membership fee shall first be applied against any amount the member or former member may owe the Cooperative, with (D) (T)

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ISSUED BY William J. Prater
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director <i>Gwen R. Pinson</i>
EFFECTIVE 4/4/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

1st Revised SHEET NO. 2

CANCELLING P.S.C. KY. NO. 10

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**FARMERS RURAL ELECTRIC
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any remaining funds either returned to the member or former member or may be left inactive with the Cooperative. No member may hold more than one membership in the Cooperative, and membership fees are not transferable.

8. **RIGHT OF ACCESS** – The Cooperative, its employees and agents shall have reasonable access to meters, service connections, poles, lines, and any other property owned or operated by the Cooperative that may be located on, in, over, or under a member’s property or premises for any necessary or appropriate purpose, including (but not limited to) placing, locating, building, constructing, inspecting, operating, replacing, and maintaining the Cooperative’s facilities. The Cooperative’s right of access specifically includes the right and privilege of establishing and maintaining proper right-of-way clearance for its facilities, and the Cooperative may, in its sole discretion, cut, trim, clear, retard, relocate or remove (by physical or chemical means, such as with herbicides) any trees, bushes, structures, and other objects that are of such proximity to the Cooperative’s facilities that they may interfere with or create a hazard to the operation or maintenance of the facilities. Any employee or agent of the Cooperative whose duties require him or her to access a member’s property or premises shall wear a distinguishing uniform or insignia identifying him or her as an employee of the Cooperative, or carry on his or her person and display upon request a badge or other identification which may identify him or her as an employee or agent of the Cooperative.

9. **MEMBER’S DISCONTINUANCE OF SERVICE** - Any member desiring service discontinued or changed from one location to another shall give the Cooperative three (3) days notice in person or in writing, provided such notice does not violate contractual obligations. If the member notifies the Cooperative of their request for termination by telephone, the burden of proof is on the member to prove that service termination was requested if a dispute arises.

10. **SERVICE CHARGES** – No charge will be made for the initial installation of service, or for a service replacing one which has been destroyed by fire, or if no trip is required. However, a service charge of \$30.00 will be made to a new occupant for the reconnecting or transferring of such service. A service charge will be due and payable at time of connection or transfer or upon notice of said charge. Also, service calls made by the Cooperative pertaining to the member’s premises shall be charged for on an actual cost basis per call. No service calls shall be made and no service shall be connected or reconnected after working hours unless there exists circumstances that will justify the additional expense.

11. **TEMPORARY SERVICE** – Temporary service may be supplied to circuses, carnivals, fairs, and services of a transient nature in accordance with the existing rate schedules of the Cooperative except that the member shall pay, in addition to the regular rates, the total cost of connecting and disconnecting service less the value of materials returned to stock. An advance deposit may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

12. **SERVICE TO MEMBER’S WHICH MAY BE OF SHORT DURATION** – In cases of service to power the pumping of oil wells, the operation of oil fields, and any and all other types of consumer services which may be of short duration, the Cooperative must and shall protect its investments on same in the following manner: The member, at the time application is made for such service, shall pay a construction charge to the Cooperative, in each instance, an amount equal to the cost of construction and retirement, covering both material and labor involved, less salvage value on all material returned into stock. This charge may be refunded at the rate of twenty percent (20%) of the consumer’s monthly power bills thereafter.

(N)
(D)
(N)
(N)
(N)
(N)
(T)
(T)
(T)
(T)
(T)

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ISSUED BY William J. Prutton
TITLE: President and Chief Executive Officer

**KENTUCKY
PUBLIC SERVICE COMMISSION**
Gwen R. Pinson
Executive Director
Gwen R. Pinson
EFFECTIVE
4/4/2018
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR ALL TERRITORY SERVED
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P.S.C. KY. NO. 10

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In case of a transfer of the lease or ownership on an oil well, or other property, the parties involved may make the necessary arrangements regarding the transfer of the charges and settlement of same. If the service is disconnected prior to full refund of the original construction charge, the un-refunded balance shall be forfeited. (N)

13. **METER TESTS** – All meters shall be checked for accuracy before installation. The Cooperative shall, at its own expense, make periodic tests and inspections of its meters in order to maintain a high standard of accuracy and to conform with the regulations of the Public Service Commission. (D) (N)

The Cooperative shall test and inspect a meter when requested in writing by a member and upon receipt of advance payment of forty dollars (\$40.00). Billing adjustments for meters determined to be inaccurate shall be made in accordance with the regulations and Orders of the Kentucky Public Service Commission. If a billing adjustment is made as a result of a member-requested meter test, the fee of forty dollars (\$40.00) shall be refunded. (T)

14. **FAILURE OF METER TO REGISTER** – In the event a member's meter shall fail to register, the member shall be billed from the date of such failure at the average or reasonable estimated consumption of the member, based on the twelve (12) month period immediately preceding the failure and such other information as the Cooperative may deem appropriate. (D) (N)

15. **POINT OF DELIVERY** – The point of delivery is the point designated by the Cooperative on the member's premises where current is to be delivered and metered. A member requesting a point of delivery different from the one designated by the Cooperative shall be required to pay any additional costs incurred to accommodate the request. All wiring and equipment beyond the point of delivery (excluding the metering) shall be supplied and maintained by the member. The member shall, however, notify the Cooperative of any proposed changes in equipment or wiring which will materially increase or decrease the member's load or may otherwise impact the Cooperative's service or equipment. (D) (N)

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ISSUED BY *William J. Prather*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director <i>Gwen R. Pinson</i>
EFFECTIVE 4/4/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR ALL TERRITORY SERVED
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**FARMERS RURAL ELECTRIC
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16. MEMBER'S WIRING – The electrical system of the member's premises shall be in compliance with the National Electrical Code, the rules and regulations of the Cooperative, and the codes and regulations of any government authority having jurisdiction. The Cooperative shall have the right; but does not assume the duty, to inspect the member's entrance equipment installation at any reasonable time. The Cooperative may refuse to commence or continue service whenever entrance equipment installation could subject any person to imminent harm or result in substantial damage to the property of the Cooperative or others; but no inspection by the Cooperative, nor the failure by it to identify deficiencies in the member's entrance equipment installation, shall render the Cooperative liable or responsible for any loss or damage resulting from defects in installation, wiring, or equipment. When a dangerous condition is found to exist on the applicant/member's premises, the service shall be refused or discontinued without notice, provided that the Cooperative informs the applicant/member of the reasons for the refusal or discontinuance and the corrective action to be taken by the applicant/member before service can be connected or restored.

(T)
(D)
(N)
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The member agrees to operate and maintain its facilities so as not to interfere with the service of the Cooperative or to its other members. Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to the Cooperative's system, and the Cooperative may require the member, at the member's sole expense, to install suitable apparatus which may reasonably limit or eliminate such fluctuations or disturbances. In any event, the member will have complete responsibility for all construction, operation, and maintenance beyond the meter and will hold the Cooperative harmless against liability for injury or damages resulting in any manner from construction, location, operation, or maintenance of the member's equipment or facilities.

(D)
(N)
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17. ELECTRICAL INSPECTIONS - The member shall secure any and all necessary inspections, certificates and approvals prior to the connection or commencement of electric service.

(D)
(T)

18. METER READING – The Cooperative shall read each member's meter each month for the purpose of determining each account's usage of electricity for calculation of the monthly bill. Service covered by each meter shall be billed separately. Exceptions to the monthly reading will be allowed only for those meters which may be estimated without materially affecting the accuracy of recorded usage. Actual readings will be taken on estimated accounts at least quarterly.

(N)

19. CHARGE FOR SEASONAL, MOBILE HOMES, PUMPS, AND OTHER SERVICES
Members requiring service to seasonal occupancies, mobile homes and/or trailers and to pumps, barns, or services with low usage from all extensions of up to 150 feet from the nearest facility shall be made without charge.

(D)
(N)

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ISSUED BY *William J. Priddy*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director
<i>Gwen R. Pinson</i>
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Extensions greater than 150 feet from the nearest facility and up to 300 feet shall be made provided the member shall pay the utility a "customer advance for construction" of \$50 in addition to any other charges required by the utility for all customers. This advance shall be refunded at the end of one year if the service to the location continues for that length of time. (T)

Extensions greater than 300 feet and less than 1,000 feet from the nearest facility, the utility may charge an advance equal to the reasonable cost incurred by it for that portion of the service beyond 300 feet plus \$50. This advance shall be refunded to the customer over a four-year period in equal amounts for each year the service is continued. If the service is discontinued for a period of 60 days, or should the mobile home, etc. be removed and another not take its place within 60 days, or be replaced by a permanent structure, the remainder of the advance shall be forfeited. No refunds shall be made to any customer who did not make the advance originally. (T)

Extensions over 1000 feet, the policy set forth in 807 KAR 5:041 electric, section 11, shall apply. (T)

For extensions over 300 feet or 1000 feet shall be made on an "Estimated Average Cost" per foot of the total extension. If termination or meter pole is required, there will be a non-refundable charge for installing the pole.


20. MEMBER BILLING AND COLLECTION POLICY – The Cooperative's billing period is on a monthly basis and shall be flexible so as to allow various billing cycles based upon the date of the monthly meter reading. Each month, the Cooperative shall render an electric service statement to each member for approximately thirty days of service. Final bills may be rendered as soon as possible after the service is disconnected. The member shall pay the net amount of the bill within 12 days of the date the bill was rendered. If payment is not received by the Cooperative within 12 days of the date the bill was rendered, the gross amount (as defined in the Rate Schedule) shall be due. The late payment penalty shall only be assessed one time for any bill rendered for services. Failure to receive the bill will not release the member from payment obligation. (T)

Delinquent bill notices are to be sent out two (2) days after the due date of the original bill each month. Field collection or termination for non-payment shall be 10 days after mailing of the delinquent notice and at least twenty-seven days after the mailing of the original bill.

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ISSUED BY 
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director

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FOR ALL TERRITORY SERVED
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A \$30.00 fee is to be collected on first call and on all subsequent calls for purposes of collecting delinquent accounts during regular working hours. A \$70.00 fee will be collected for trips made other than during regular working hours. (T)

No member is to be reconnected at any location without first having paid all previous indebtedness to the Cooperative. A service charge of \$30.00 shall be applied to each reconnect. (T)
(D)

In some instances, a remote disconnect switch will be installed. If service is disconnected for non-payment or if a reconnect is made with the switch, a fee of \$30.00 will be applied to the members' account of this extra service and is due and payable at the time such account is collected. (T)

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ISSUED BY *William J. Pinson*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director
<i>Gwen R. Pinson</i>
EFFECTIVE 4/4/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR ALL TERRITORY SERVED
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**FARMERS RURAL ELECTRIC
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A reminder letter or invoice statement will be issued 15 days after the final bill is rendered to unpaid accounts of disconnected consumers.

Periodically, all delinquent accounts are to be turned over to an attorney or competent collecting agency for further proceedings, provided such amount exceeds the membership fee and consumer deposit.

A \$25.00 fee is to be collected when checks are returned from bank marked "Insufficient Funds." The drawer of said check is to be notified by letter and his/her service placed on the cut-off list, along with other delinquent accounts and handled in the same manner as outlined above. (T)

All consumers are to be members of the Cooperative. Cases of failure to pay membership fee shall be treated in the same manner as outlined above on delinquent accounts.

21. DEPOSITS, PAYMENT GUARANTEES - The Cooperative may require a minimum cash deposit or other suitable guaranty to secure payment of bills except for members qualifying for service reconnection pursuant to 807 KAR 5:006, Section 16, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest will accrue on the paid deposit at a rate as prescribed by law, and will be refunded annually. (T)

All member deposits shall be based upon actual usage of the member at the same or similar premises for the most recent twelve (12) – month period, if such information is available. If information is not available, the deposit will be based on the average bills of similar members and premises in the system. The deposit amount shall not exceed 2/12ths of the member's actual or estimated annual bill.

Deposits on residential accounts will be returned after twenty four (24) months if the member has established a satisfactory payment record for that period. If a deposit has been waived or returned and the member fails to maintain a satisfactory payment record, a deposit may then be required. The Cooperative may require a deposit in addition to the initial deposit if the member's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit and any interest earned and owed will be credited to the final bill with any remainder refunded to the member. An appropriate amount of the deposit may be retained and transferred to another existing account of the same member if the credit history is not satisfactory. (T)

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ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Gwen R. Pinson
Executive Director

Gwen R. Pinson

EFFECTIVE

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PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR ALL TERRITORY SERVED
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**FARMERS RURAL ELECTRIC
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In determining whether a deposit will be required or waived the following criteria will be considered:

- A. If an applicant has shown a satisfactory prior payment history with the Cooperative of less than three (3) delinquents in a twenty four (24) month period, there will not be a deposit required.
- B. All other applicants must be approved by the Cooperative's credit reporting service and may be required to provide a one month or two month deposit depending upon credit. (N)
- C. Non-residential members will be required to provide two (2) months deposit.

If the deposit is held longer than twenty four (24) months, the deposit will be recalculated at the member's request, based on the member's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential member or ten percent for a non-residential member, the Cooperative may collect any underpayment and shall refund any overpayment by check or credit to the member's bill. No refund will be made if the member's bill is delinquent at the time of the recalculation. (D)

- 22. **BUDGET PAYMENT PLAN-** The Cooperative offers a budget levelized-billing plan for its residential members who desire to pay more even monthly amounts in lieu of monthly billings for actual usage. The monthly budget amount will be determined by the Cooperative and will be a minimum of 1/12th of the estimated annual usage. The monthly budget amount will be subject to review and adjustment during the budget year. (N)

The budget year for the plan will commence during the month following the member's request for budget billing. Requests for the budget plan will be accepted during all months of the year. There is no specific settlement month as the account is automatically adjusted monthly in accordance with the member's average usage over the immediate twelve months. ↓

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ISSUED BY *William J. Patten*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director
<i>Gwen R. Pinson</i>
EFFECTIVE 4/4/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR ALL TERRITORY SERVED
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**FARMERS RURAL ELECTRIC
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RULES AND REGULATIONS

If the member fails to pay their bill as rendered under the budget plan, the Cooperative reserves the right to revoke the plan, restore the member to regular billing, and require immediate payment of any deficiency. Failure to receive a bill in no way exempts the member from the provisions of these terms and conditions.

The member's bill will be due within twelve days from the date of the bill and the due date will be clearly indicated on the statement.

Under the levelized-billing plan, the member's last eleven month's actual usage, plus the current month's usage are totaled and divided by twelve. To this amount is added 1/12th of any account arrearage to date and any current month taxes owed (1/12th of account overages is deducted). The resulting amount is rounded to the nearest whole dollar. This is the amount billed as the current month's levelized budget amount.

The amount is recalculated monthly and will fluctuate based upon the member's changing usage. The account will self-adjust to a near-current status during the budget year, providing there are no abnormal deviations in the member's usage. No other adjustments are made to the member's account as long as the member meets the payment terms of the budget plan. Upon cancelling the budget billing, either by the member or the Cooperative, the total account balance owed and outstanding, if any, is then due.

(N) ↓

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ISSUED BY *William J. Anton*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director <i>Gwen R. Pinson</i>
EFFECTIVE 4/4/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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**FARMERS RURAL ELECTRIC
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23. UNDERGROUND DISTRIBUTION FACILITIES TO A RESIDENTIAL SUBDIVISION

(N)

The Cooperative will install underground distribution facilities to a residential subdivision under the following conditions:

1. The subdivision being developed must consist of a tract of land which is divided into ten (10) or more lots for the construction of new residential buildings or the land on which is constructed two (2) or more new multiple occupancy buildings (refer to PSC Electric Rules, 807 KAR 5:041, Section 21, for definitions of terms).
2. Prior to installation, the owner/developer shall pay the Cooperative for the total cost of all facilities (underground or overhead) installed in subdivision. Later, the Cooperative shall refund to the owner/developer the equivalent cost of overhead facilities when a permanent year-around residence is connected. The refund shall be on an average cost per lot basis.
3. The Cooperative will construct underground distribution facilities in the subdivision adequate to render single-phase 120/240 volt service.
4. Three-phase primary mains or feeders required within a subdivision to supply local distribution or to serve individual three-phase loads may be overhead unless underground is required by governmental authorities or chosen by applicant, in either of which case the differential cost of underground shall be borne by the applicant.
5. Developer or successor in title shall grant a right-of-way satisfactory to the Cooperative for the installation, operation, and maintenance of its facilities.
6. If developer provides the secondary service lines to the residence from service pedestal located one assessment, the Cooperative shall credit the applicant fifty dollars (\$50.00) or the equivalent cost of an overhead service line to the applicant's meter base, whichever is greater. Service lines to house (provided by developer) shall be installed and ready for inspection at the same time as the residence. Trench is to be left open until inspection has been made.

If the Cooperative provides secondary service lines, applicant shall pay the "estimated average cost differential" between overhead and underground service.

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ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
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<i>Gwen R. Pinson</i>
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7. For all developments that do not meet the conditions set forth in paragraph 1 above, underground distribution will be installed provided an advance to the Cooperative is made in an amount equal to the difference between the Cooperative's estimated cost of underground and overhead facilities.

8. The developer or owner of subdivision shall be required to perform all necessary trenching and backfilling in accordance with the Cooperative's specification.

9. See Exhibit A, "Average Cost Differentials," filed as an addendum to this regulation. This exhibit (D) may be revised from time to time because of change in cost differentials.

24. LOCAL FRANCHISE FEE APPLICABLE TO ALL RATE SCHEDULES (N)

There shall be added to the member's bill, listed as a separate item, an amount equal or proportional to the fee, tax, assessment, charge, or other like sum now or hereafter imposed by local governmental or similar authorities, whether by ordinance, franchise, or other means, which fee, tax, assessment, charge, or other like sum is based on the gross receipts collected by the Cooperative from the sale of electricity to members within the boundaries of the particular legislative authority. Such amount shall be added exclusively to bills of members receiving service within the territorial limits of the authority imposing the fee, tax, assessment, charge, or other like sum. (N)

Where more than one such fee is imposed, each of the charges applicable to each member shall be added to the member's bill and listed separately.

Where the local legislative authority imposes a flat or fixed amount on the Cooperative, the fee applied to the bills of members receiving service within the territorial boundaries of that authority, shall be in the form of a flat or fixed dollar amount. (T)

The amount of such fee added to the member's bill shall be determined in accordance with the terms of the ordinance, franchise or other directive of the local governmental or similar authority. (D)

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ISSUED BY *William J. Prater*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
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25. AVAILABILITY OF SERVICE TO DELINQUENT MEMBERS – A member or former member shall not seek to avoid his or her debts to the Cooperative by applying for membership or seeking service in the name of another person or entity. If an application for membership is received by the Cooperative from a person residing with a delinquent member/former member at the premises where service had been provided to the delinquent member/former member, the application may be denied by the Cooperative on the grounds that the applicant is applying as the agent of the delinquent member or former member. (N)
26. EASEMENTS - Each member, and all other parties holding an interest in or to a relevant property, shall grant or convey to the Cooperative, without cost, any temporary or permanent easements reasonably required by the Cooperative to provide electric service to that member or property and for the installation, maintenance, and operation of the Cooperative's electrical distribution system, both existing and future, with rights of ingress and egress for such purposes over the property, provided such electrical distribution system is located on real estate owned, rented or otherwise controlled by the member. The failure or refusal to convey easements shall constitute grounds for denying or discontinuing service.
27. NO PREJUDICE OF RIGHTS – Failure or refusal by the Cooperative to enforce any of the terms of these Rules and Regulations shall not be deemed as a waiver of its right to do so.
28. NON-STANDARD SERVICE – The member shall pay the cost of any special installation necessary to meet the member's requirements for service other than standard voltage, or for the supply of closer voltage regulation than required by standard practices.
29. SERVICES PERFORMED FOR MEMBERS – The Cooperative's employees and agents are prohibited from making repairs or performing services to equipment belonging to a member except in cases of emergency or to protect the public or member's person or property. When such services are performed, the member shall be responsible for all materials, labor, and other costs incurred in connection with the work and the Cooperative shall not be liable or responsible in any way for the work performed.
30. NOTICE OF TROUBLE – Each member shall ensure that the Cooperative is immediately notified of any outages, issues, defects, trouble, or accidents relating to or impacting the electric service provided by the Cooperative.

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DATE EFFECTIVE: April 4, 2018

ISSUED BY William J. Smith
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director
<i>Gwen R. Pinson</i>
EFFECTIVE 4/4/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

Original SHEET NO. 10.002

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RULES AND REGULATIONS

31. REFUSAL OR TERMINATION OF SERVICE BY THE COOPERATIVE - Subject to applicable law and following any necessary notice, the Cooperative may refuse or terminate service to a prospective member or member under the following conditions:

- A. for noncompliance with the Cooperative's tariffed rules and regulations, Kentucky Public Service Commission regulations, or other applicable rule, law, code, or standard;
- B. if a dangerous condition is found to exist relating to the Cooperative's service which could subject any person to imminent harm or result in substantial damage to the property of the Cooperative or others;
- C. if a member refuses or neglects to provide reasonable access to the premises for installation, operation, meter reading, maintenance or removal of the Cooperative's property;
- D. for outstanding indebtedness or nonpayment of bills; or
- E. if the Cooperative discovers evidence that the member has sought or obtained unauthorized service by illegal use or theft or if the meter or other equipment belonging to the Cooperative is tampered or interfered with.

The discontinuance of service by the Cooperative for any cause stated herein does not release the member from the obligation to satisfy any indebtedness the member may have to the Cooperative

32. METER ACCESS – Meters shall be located at a site designated by the Cooperative and shall be easily and safely accessible for reading, inspection, testing, repairing, and adjusting by the Cooperative and its employees and agents. Should conditions at or near a member's meter threaten or interfere with such access, the member shall be notified by the Cooperative of the issue(s) and shall take such action as to resolve the issue(s) without delay. If a member refuses or neglects to provide appropriate access to a meter, the Cooperative may refuse or terminate service.

33. MONITORING OF MEMBER USAGE – On a monthly basis, kWh usage for all accounts will be monitored by the Cooperative according to the following procedure:

1. The member's current monthly kWh usage will be compared to previous periods. Accounts which meet the following exception criteria will be listed for evaluation:

- The bill amount is greater than twice the previous month
- kWh usage is less than one-third of the previous month
- kWh usage is fifty percent more or less than the same month of the prior year
- the bill amount is less than the minimum for the rate schedule
- Demand usage is twenty-five percent more or less than the previous month of the prior year
- Demand usage is fifty percent more or less than the same month of the prior year

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ISSUED BY William J. Pinson
TITLE: President & Chief Executive Officer

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Gwen R. Pinson
Executive Director

Gwen R. Pinson

EFFECTIVE
4/4/2018
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2. If the deviation in usage for any account listed on the exception report is attributed to unique circumstances such as unusual weather conditions, which would affect all members, no further review will be done.
3. If the deviation cannot be readily attributed to a common cause, the Cooperative will further investigate the account usage by comparing the last twelve month's usage to the same months of the previous year.
4. If the cause for the usage deviation cannot be determined from analysis of the member's meter reading and billing records, the Cooperative may dispatch service personnel to verify the meter reading, check the service installation, or to make personal contact with the member to inquire about the unexplained usage deviation. The Cooperative will contact the member by telephone or in writing about the usage deviation if the service personnel cannot determine a cause.
5. Where the deviation is not otherwise explained, the Cooperative will test the member's meter to determine whether it shows an average error greater than two percent (2%) fast or slow. The Cooperative will notify the member of the investigation and results, and will refund or bill for any errors in accordance with 807 KAR 5:006, Section 11.

In addition to the monthly monitoring, the Cooperative will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading and billing processes or member inquiry.

34. **MEMBER PURCHASE OF POWER** – All purchased electric power used on the premises of the member shall be supplied exclusively by the Cooperative.

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ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director <i>Gwen R. Pinson</i>
EFFECTIVE 4/4/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)