



Tariffs for Electric Service

**Amended and Adopted by
the Board of Directors
June\2026**

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Section V – Definitions

101. Description of Electric Utility Operations.

101.1 Organization.

Victoria Electric Cooperative, Inc. is an electric cooperative corporation organized and operating under the Electric Cooperative Corporation Act (Texas Utilities Code, Chapter 161) and the laws of the State of Texas and is owned by its Members. The Cooperative's business affairs are managed by a Board of Directors who are elected to the Board in accordance with the provisions of the bylaws from and by the Cooperative's Members.

101.2 Type of Service.

The Cooperative provides electric utility service through the operation of a retail electric distribution system. The Cooperative does not engage in the generation of electric power, but instead purchases all of its electric energy requirements from South Texas Electric Cooperative, Inc. (STEC).

101.3 Service Area.

A. Certification.

The Public Utility Commission of Texas authorized the Cooperative to provide electric utility service by the issuance of a Certificate of Convenience and Necessity.

B. Counties.

The service area of the Cooperative includes all or portions of the following counties:

Victoria	Calhoun
Goliad	Refugio
DeWitt	Jackson

C. Cities.

The service area of the Cooperative includes all or portions of the incorporated municipalities:

Port Lavaca	Victoria
Seadrift	

102. Purpose and Scope.

These tariffs define the service relationship between the Cooperative and persons desiring or receiving electric utility service from the Cooperative. Contractual rights and obligations of both parties are specified in a manner consistent with regulations affecting the Cooperative's method of operation. These tariffs are a part of the Electric Service Agreement.

103. Applicability of Tariffs.

These tariffs are applicable to the provision of all electric utility service by the Cooperative in all areas in which the Cooperative provides service except as may be precluded by law.

104. Severability.

If any provisions of these tariffs are held invalid, such invalidity shall not affect other provisions or applications of these tariffs which can be given effect without the invalid provision or application, and to this end the provisions of these tariffs are declared to be severable. These tariffs shall not be construed so as to enlarge, diminish, modify, or alter the jurisdiction, powers or authority of the Cooperative or any Regulatory Authority.

105. Modification of Tariffs.

Any class of service may be redefined and these tariffs may be changed, modified, or abrogated in whole or in part by the Cooperative's Board of Directors or any Regulatory Authority having jurisdiction thereof, whether or not at the request of the Cooperative, a Member, or otherwise. Any changed tariff or redefined class of service shall be applicable to service provided from and after the effective date of such change.

106. Waiver.

The failure of the Cooperative to enforce any of the provisions of this tariff shall not be considered a waiver of its right to do so.

201. Rate Classification and Assignment.

Rate classification and assignment shall be made by the Cooperative in accordance with the availability and type of service provisions in the Cooperative's rate schedules. Rate schedules have been developed for the standard types of service provided by the Cooperative. If Member's request for electric service involves unusual circumstances, usage, or load characteristics not regularly encountered by the Cooperative, or if the Member may qualify for service under more than one of the Cooperative's available schedules, the Cooperative shall inform the Applicant or Member about its lowest-priced alternatives available at the applicant's or Member's location. The information shall begin with the lowest-priced alternative and give full consideration to applicable equipment options and installation charges.

202. Seasonal Service.

Members requiring service only during certain seasons of the year shall be served in accordance with the applicable rate schedule for the appropriate class of service, except that Members shall pay not less than twelve (12) times the minimum charge under the appropriate rate schedule as if service were extended and used for an entire 12-month period.

Members shall pay the entire annual minimum charge for seasonal service in lump sum payment upon initiation of service.

Seasonal service includes, but is not limited to, service to hunting facilities, fishing facilities, vacation and seasonal homes, and other similar types of service, but specifically excludes irrigation service.

The Cooperative shall install a two-way communicating meter with automatic connect and disconnect capabilities at the location of all seasonal service facilities.

203. Rate Schedules.

203.1 Farm and Residential Service - Rate 110.

A. Availability.

Farm and Residential service is available to Members of the Cooperative for all farm and residential uses in accordance with the Cooperative's Service Rules and Regulations, and for the following purposes:

- (1) For domestic uses only associated with service to individually metered residential dwellings, a Member shall have only one permanent residence and;
- (2) For farming and/or ranching uses, including but not limited to service such as fence chargers, stock tanks, barns and other similar uses, but excluding service for crop irrigation.

The Farm and Residential Service Rate is applicable for electric service used exclusively for residential and/or farm and ranch purposes, and is not applicable for service to a residence also used for any nonresidential or commercial purpose including but not limited to retail businesses, restaurants, repair services, or any other nonresidential activity. Service under this schedule is limited to individual single-phase motors not greater than ten (10) horsepower.

Service for farm and/or ranch usage is limited to usage for on-premises lighting, heating, appliance, and equipment consumption solely related to producing and processing food products produced on the farm or ranch receiving service, and includes consumption associated with the repair and maintenance of farm equipment and implements utilized in processing, harvesting, or otherwise directly associated with the harvesting and/or processing of the food products produced on the farm or ranch receiving service.

B. Type of Service.

The electric service furnished hereunder shall be single-phase, 60 hertz, at the Cooperative's standard secondary distribution voltages.

C. Monthly Rate.

The monthly rate shall be as specified below.

	Generation & Transmission	Distribution	Total
Member Charge		\$33.00 per meter	\$33.00 per meter
Energy Charge	\$0.084696 per kWh	\$0.022857 per kWh	\$0.107553 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

- (1) Member Charge is for the availability of electric service; and
- (2) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:

- (1) The Member Charge per billing period; plus
- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fees.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.2 Small Commercial Service - Rate 420.

A. Availability.

Single-Phase Service is available in accordance with the Cooperative's Service Rules and Regulations to Members:

- (1) For all commercial uses where the peak demand in the billing period and eleven preceding months was equal to or greater than 0 kW and less than 40 kW;
- (2) For any commercial use in combination with a use available under the rate schedule entitled Farm and Residential Service – Rate 110 where the peak demand in the billing period and eleven preceding months was equal to or greater than 0 kW and less than 40 kW
- (3) For any church, synagogue or other place of worship receiving single-phase service whose peak demand in the billing period and eleven preceding months was less than 100 kW

B. Type of Service.

Single-phase service at the Cooperative's standard secondary distribution voltages, where available.

C. Monthly Rate.

The monthly rate shall be as specified below.

	Generation & Transmission	Distribution	Total
Member Charge		\$33.00 per meter	\$33.00 per meter
Energy Charge	\$0.084696per kWh	\$0.022857per kWh	\$0.107553 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

- (1) Member Charge is for the availability of electric service; and
- (2) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:

- (1) The Member Charge per billing period; plus
- (2) Any applicable billing adjustments; plus
- (3) Any applicable services fees.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.3 Small Power Service – Rate 430.

A. Availability.

General Service is available in accordance with the Cooperative's Service Rules and Regulation to Members:

- (1) For all commercial uses where the peak demand in the billing period and eleven months preceding the current billing period was equal to or greater than 0 kW and less than 40 kW;
- (2) For any commercial use in combination with a use available under the rate schedule titled "Farm and Residential" where the peak demand in the billing period and eleven months preceding the current billing period was equal to or greater than 0 kW and less than 40 kW;
- (3) For any church, synagogue or other place of worship receiving three-phase service whose peak demand in the billing period and eleven preceding months was less than 100 kW

B. Type of Service.

The electric service furnished hereunder shall be three-phase, where available, at the Cooperative's standard secondary voltages.

C. Monthly Rate.

The monthly rate shall be as specified below:

	Generation & Transmission	Distribution	Total
Member Charge		\$60.00 per meter	\$60.00 per meter
Energy Charge	\$0.078111per kWh	0.039241per kWh	\$0.117352 per kWh
Power Cost Recovery Factor kWh	Plus PCRF		Plus PCRF

- (1) Member Charge is for the availability of electric service; and
- (2) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:

- (1) The Member Charge per billing period; plus
- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fee.
- (4) In the event the peak demand in the billing period exceeds 40 kW for two or more consecutive months, the Member rate shall be moved to the Large General Service – Rate 540

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.4 Large General Service - Rate 540.

A. Availability.

Large General Service is available for electric service to all nonresidential and non-farm Members in accordance with the Cooperative's Service Rules and Regulations to Members receiving primary voltage whose peak demand was equal to or greater than 40 kW, but less than 600 kW and to Members receiving secondary voltage whose peak demand is equal to or greater than 40 kW for all commercial and industrial uses.

B. Type of Service.

The electric service furnished hereunder shall be three-phase service, where available, at the Cooperative's standard primary or secondary voltages.

C. Monthly Rate.

Each billing period the Member shall be obligated to pay the following charges:

	Generation & Transmission	Distribution	Total
Member Charge		\$100.00 per meter	\$100.00 per
Capacity Charge	\$10.24 per kW	\$4.76 per kW	\$15.00 per kW
Energy Charge	\$0.039644 per kWh	\$0.023122 per kWh	\$0.062766 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

- (1) Member Charge is for the availability of electric service; and
- (2) Capacity Charge is for the rate at which energy is used and is applied to the maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than 75% of the highest adjusted kilowatt demand established in the billing period of eleven (11) months preceding the billing period; and
- (3) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.
- (4) In the event a Member disconnects service (including all commercial accounts – 540 rate and over), the Member is required to pay the adjusted demand to complete the billing period associated with the established capacity charge.
- (5) In the event the Member's peak demand for twelve consecutive months is below 40 kW, the Member may change to the rate schedule titled Small Power Service - Rate 430.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:

- (1) The Capacity Charge, Energy Charge and the Member Charge or the amount stated in the Electric Service Agreement or \$1 per installed transformer kVa, whichever is greater;
- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fees.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.5 Large General Service - Rate 541.

A. Availability.

Large General Service is available at the Cooperative's sole discretion for electric service to all nonresidential and non-farm Members in accordance with the Cooperative's Service Rules and Regulations to Members receiving primary voltage whose peak demand was equal to or greater than 40 kW for all commercial and industrial uses.

B. Type of Service.

The electric service furnished hereunder shall be three-phase service, where available, at the Cooperative's standard primary voltages.

C. Monthly Rate.

Each billing period the Member shall be obligated to pay the following charges:

	Generation & Transmission	Distribution	Total
Member Charge		\$100.00 per	\$100.00 per
Capacity Charge	\$8.57 per kW	\$6.06 per kW	\$14.63per kW
Energy Charge	\$0.0384400 per	\$0.022488 per kWh	\$0.060928per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

(1) Member Charge is for the availability of electric service; and

(2) Capacity Charge is for the rate at which energy is used and is applied to the maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than 75% of the highest adjusted kilowatt demand established in the billing period of eleven (11) months preceding the billing period; and

(3) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:

(1) The Capacity Charge, Energy Charge and the Member Charge or the amount stated in the Electric Service Agreement or \$1 per installed transformer kVa, whichever is greater;

(2) Any applicable billing adjustments; plus

(3) Any applicable service fees.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.6 Experimental Load Control Rider

A. Availability.

To Members receiving service under the Large Power Rate who agree to contract with the Cooperative to remove a given amount of peak load from service upon the request of the Cooperative and/or its power supplier. Members requesting service under this rate must agree to continue taking service for one Peak Year.

For purposes of this tariff, a Peak Year shall run from June 1 to May 31 of the following year.

This is an experimental rate offered at the sole discretion of the Cooperative. Service under this tariff may be discontinued by the Cooperative at any time.

B. Applicability.

Members receiving service under this rate will be billed for all fees and charges under the standard Large Power Rate and must be eligible for service under that rate.

C. Load Control Credit.

Members agreeing to service under this tariff will receive the following credit as provided by the Cooperative:

Load Management Credit Option 1	\$2.50 per contract kW
Credit paid June - May	

Contract kW shall be the amount of load expressed in kW that the Member agrees to curtail from the Cooperative's system upon request. The Member shall remove load within fifteen (15) minutes of being notified by the Cooperative or its power supplier of a curtailment. The Contract kW shall not be less than 50% of the Member's average peak load during the hours of 3 pm through 7 pm during the months of June – September of the prior year, or in the absence of such information, at any amount that shall be determined by the Cooperative.

Should the Member fail to curtail load upon request at any time, the Member shall be removed from the load control rider for the remainder of the Peak Year and shall refund to the Cooperative the full amount of credit received by the Member during the current Peak Year.

203.7 Optional Large Power - Grain Dryers – Rate 545.

A. Availability.

Available in accordance with the Cooperative's Service Rules and Regulations to Members with peak demand equal to or greater than 40 kW but less than 600 kW for agricultural grain dryer use.

B. Type of Service.

Three-phase service at the Cooperative's primary or secondary distribution voltages, where available.

C. Monthly Rate.

Each billing period the Member shall be obligated to pay the following charges:

	Generation & Transmissio	Distribution	Total
Member Charge		\$100.00 per meter	\$100.00 per
Capacity Charge	\$2.22 per kW	\$3.78 per kW	\$6.00 per kW
Energy Charge			
First 200 kWh/ Billing kW/ month	\$0.093044 per kWh	\$0.021142 per kWh	\$0.114186 per kWh
Next 200 kWh/ Billing kW/ month	\$0.07869 per kWh	\$0.02114 per kWh	\$0.09983 per kWh
Over 400 kWh/ Billing kW/ month	\$0.04789 per kWh	\$0.02114 per kWh	\$0.06903 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

(1) Member Charge is for the availability of electric service; and

(2) Capacity Charge is for the rate at which energy is used and is applied to the maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than 75% of the highest adjusted kilowatt demand established in the billing period of eleven (11) months preceding the billing period; and

(3) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period whether or not any energy is actually used:

(1) The Capacity Charge, Energy Charge and the Member Charge or the amount stated in the Electric Service Agreement;

(2) Any applicable billing adjustments; plus

(3) Any applicable services fees.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.8 Large Power Service – Cotton Gins – Rate 546.

- A. Availability.
Available in accordance with the Cooperative's Service Rules and Regulations to Members with peak demand equal to or greater than 400 kW for cotton gin use.
- B. Type of Service.
Three-phase service at the Cooperative's primary or secondary distribution voltages, where available.
- C. Monthly Rate.
Each billing period the Member shall be obligated to pay the following charges:

	Generation & Transmission	Distribution	Total
Member Charge		\$100.00 per	\$100.00 per meter
Capacity Charge			
Billing kW (February – July)	\$0.00 per kW	\$0.00 per kW	\$0.00 per kW
Billing kW (August – January)	\$8.35 per kW	\$4.00 per kW	\$12.35 per kW
Energy Charge			
February – July	\$0.100025 per kWh	\$0.008059 per kWh	\$0.108084 per kWh
August - January	\$0.039644 per kWh	\$0.008059 per kWh	\$0.047703 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

- (1) Member Charge is for the availability of electric service; and
- (2) Capacity Charge for the rate at which energy is used is applied to the maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than 75% of the highest adjusted kilowatt demand established in the billing period of eleven (11) months preceding the billing period; and
- (3) Energy Charge is for delivery of energy during each billing period.
- D. Minimum Charge.
Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:
- (1) The total Capacity Charge, total Energy Charge and the total Member Charge or the amount stated in the Electric Service Agreement or \$1 per month per installed transformer kVa, whichever is greater.
- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fees.
- F. Billing Adjustments.
This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.8.1 Experimental Load Control Rider.

A. Availability.

To Members receiving service rate schedule Large Power Service – Cotton Gins – Rate 546 who agree to contract with the Cooperative to remove a given amount of peak load from service upon request by the Cooperative and/or its power supplier. This tariff is not available to Members taking service under the Cooperative's Experimental Alternate On-Peak Cotton Gin rate. Members requesting service under this rate must agree to continue taking service for one Peak Year.

For purposes of this tariff, a Peak Year shall run from June 1 to May 31 of the following year.

This is an experimental rate offered at the sole discretion of the Cooperative. Service under this tariff may be discontinued by the Cooperative at any time.

B. Applicability.

Members receiving service under this rate will be billed for all fees and charges under the standard Cotton Gin rate and must be eligible for service under that rate. Members receiving service under this rate may not simultaneously take part in any other load control program offered by the Cooperative.

C. Load Control Credit.

Members agreeing to service under this tariff will receive the following credit as provided by the Cooperative:

Load Management Credit	\$2.50 per contract kW
Credit paid August – January	

Contract kW shall be the amount of load expressed in kW that the Member agrees to curtail from the Cooperative's system upon request. The Member shall remove load within fifteen (15) minutes of being notified by the Cooperative or its power supplier of a curtailment. The Contract kW in any year shall not be less than 50% of the Member's highest peak load during the hours of 3 pm through 7 pm during the months of June – September of the prior year, without the prior written permission of the Cooperative.

Should the Member fail to curtail load upon request at any time, the Member shall be removed from the load control rider for the remainder of the Peak Year and shall refund to the Cooperative the full amount of credit received by the Member during the current Peak Year.

203.8.2 Large Power Service – Cotton Gins – Experimental Alternate On-Peak Rate.

A. Availability.

Available in accordance with the Cooperative's Service Rules and Regulations to Members with peak demand equal to or greater than 400 kW for cotton gin use. Members desiring to operate under the Alternate On-Peak Rate must negotiate an agreement or contract for service prior to the beginning of each ginning season and may not change rates during each ginning season. This experimental rate may be discontinued by the Cooperative prior to the beginning of any ginning season. The Member may be required, at the sole discretion of the Cooperative, to pay the additional cost of any metering equipment and/or additional monthly metering reading expense over and above the cost that would be provided to Members on rate scheduled titled Large Power Service – Cotton Gins – Rate 546.

B. Type of Service.

The electric service furnished hereunder shall be three-phase service, at the Cooperative's primary or secondary distribution voltages, where available

C. Monthly Rate.

	Generation & Transmission	Distribution	Total
Member Charge		\$120.00 per meter	\$120.00 per meter
NCP Capacity Charge		\$5.00 per NCP kW	\$5.00 per NCP kW
CP Billing Capacity Charge	\$47.43 per CP kW		\$47.43 per CP kW
Energy Charge	\$0.038889 per kWh		\$0.038889 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

- (1) Member Charge is an availability charge for providing electric distribution service; and
- (2) Non-Coincident (NCP) Capacity Charge is for the rate at which energy is used and is applied to the maximum kilowatt demand for any period of fifteen (15) consecutive minutes during billing period as adjusted for power factor; and
- (3) Coincident Peak (CP) Billing Capacity Charge is the maximum kilowatt demand established by the member for any fifteen (15) minute interval measured at the time of the wholesale power supplier's monthly peak demand; and
- (4) Energy Charge is for the delivery of energy and shall be applied to all kWh usage during the billing period.

D. Annual Minimum Charge.

The Member's total annual billing shall not be less than \$4,000.

E. Monthly Minimum Charge.

Each billing period the Member shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The Capacity Charge, Energy Charge and the Member Charge or the amount stated in the Electric Service Agreement or \$1 per installed transformer kVa, whichever is greater; and
- (2) Any applicable billing adjustments; and
- (3) Any applicable service fees.

In the event the Cooperative bills Member an increased minimum to cover its investment as agreed by Member, then the Member shall be entitled in each billing period (but not cumulative) to the following:

$$\text{kWh: } \frac{\text{Contract Minimum} - (\text{Member Charge} + \text{Capacity Charge})}{\text{Energy Charge}}$$

The contract minimum does not include any billing adjustments or service fees.

203.9 VISD – Rate 550.

A. Availability.

Availability in accordance with the Cooperative's Service Rules and Regulations to VISD Members whose peak demand was equal to or greater than 600 kW for all commercial and industrial uses.

B. Type of Service.

Three-phase service at the Cooperative's primary distribution voltages, where available.

C. Monthly Rate.

The monthly rate shall be as specified below:

(1) Capacity Charge:

This charge is for the rate at which energy is used and is applied to the maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than the highest adjusted kW demand established in the billing period of eleven (11) months preceding the billing period.

\$12.34 per kW

and

(2) Energy Charge:

This charge for the delivery of energy shall be applied to all kWh usage during a billing period.

\$0.056277 per kWh

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:

- (1) The Capacity Charge and the Energy Charge or the amount stated in the Electric Service Agreement, whichever is greater;
- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fees.

203.10 Special Contract – 1000.

A. Application.

Applicable to Hilcorp, taking service supplied at one point of delivery and taken through a single meter at primary distribution level for all commercial and industrial uses at the following location: Vanderbilt Substation. Applicable to no other Member(s).

Member will pay in advance the full cost of construction of all facilities built by the Cooperative and its power supplier, without regard to any conflicting provisions of the Cooperative's line extension policies.

B. Type of Service.

The electric service furnished hereunder shall be three-phase service at transmission level voltage.

C. Monthly Rate.

Each billing period the Member shall be obligated to pay the following charges:

(1) Member Charge.

This charge is for the availability of electric service;

\$1000.00 per meter

and

(2) Capacity Charge.

This charge is for the rate at which energy is used and is applied to the maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than the highest adjusted kilowatt demand established in the billing period or eleven (11) months preceding, or 5,000 kW, or as specified by contract, whichever is greatest, as follows:

\$3.32 per kW for the first 10 MW monthly

\$2.57 per kW for the next 20 MW monthly

\$2.07 per kW for all usage in excess of 30 MW monthly

and

(3) Wholesale Power Charge.

The wholesale cost of power shall be the cost of power to serve the Member including but not limited to capacity, ancillary services, delivery, energy and fuel charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods. The power cost will be calculated using the billing units defined in the same manner as defined in the wholesale rate, including any ratchet provisions in the wholesale rate and usage will be corrected where necessary for losses.

D. Monthly Minimum Charge.

Each billing period the Member shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

(1) The Member and Capacity charge;

and

(2) Any amount authorized by contract between the Cooperative and the Member.

E. Billing Adjustments.

This rate is subject to all billing adjustments other than PCRF.

F. Agreement.

An agreement for electric service with a contracted term is required by the Cooperative. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's board of directors and service hereunder is subject to the Cooperative's Tariff's for Electric Service.

203.11 Experimental Irrigation – Rate 542

A. Availability.

Experimental Irrigation Service is available to the first 10 qualifying Members requesting service and is available for water pumping service used to serve crop irrigation. Water pumping for landscaping and other similar purposes is not eligible. Eligible Members will have total installed motor horsepower of not less than 30 HP, and not greater than 200 HP.

B. Type of Service.

The electric service furnished hereunder shall be three-phase service, where available, at the Cooperative's standard secondary voltages.

C. Monthly Rate.

Each billing period the Member shall be obligated to pay the following charges:

	Generation & Transmission	Distribution	Total
Member Charge		\$52.00 per meter	\$52.00 per meter
Capacity Charge (Jun – Sep)	\$8.00 per kW	\$12.30 per kW	\$20.30 per kW
Capacity Charge (Oct – May)			
Energy Charge (Oct – May)	\$0.075937 per kWh	\$0.022369 per kWh	\$0.098306 per kWh
Energy Charge (Jun – Sep)			
First 200 kWh per billing kW	\$0.168937 per kWh	\$0.083018 per kWh	\$0.251955 per kWh
Next 200 kWh per billing kW	\$0.105937 per kWh	\$0.048018 per kWh	\$0.153955 per kWh
Over 400 kWh per billing kW	\$0.043937 per kWh	\$0.013018 per kWh	\$0.056955 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

- (1) Member Charge is for the availability of electric service; and
- (2) Capacity Charge is only billed in the months of June – September and is for the rate at which energy is used and is applied to the maximum kilowatt demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no case less than 75% of the maximum demand established in the most recent four months of June - September; and
- (3) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.
- (4) A Member can only transfer into or out of this rate one time in every twelve-month period.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is used:

- (1) The Capacity Charge, Energy Charge and the Member Charge or the amount stated in the Electric Service Agreement or \$1 per installed transformer kVa, whichever is greater;

- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fees.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

To Members receiving service under the Large Power Rate who agree to contract with the Cooperative to remove a given amount of peak load from service upon the request of the Cooperative and/or its power supplier. Members requesting service under this rate must agree to continue taking service for one Peak Year.

For purposes of this tariff, a Peak Year shall run from June 1 to May 31 of the following year.

This is an experimental rate offered at the sole discretion of the Cooperative. Service under this tariff may be discontinued by the Cooperative at any time.

F. Optional Load Control Credit.

Members agreeing to load control for irrigation service under this tariff will receive the following credit as provided by the Cooperative during months in which demand is billed as a reduction in the monthly billing.

Load Management Credit: \$8.00 per kW

The Member shall remove load within fifteen (15) minutes of being notified by the Cooperative or its power supplier of a curtailment. Should the Member fail to curtail load upon request at any time, the Member shall be removed from load control for the remainder of the Year and shall refund to the Cooperative the full amount of credit received by the Member during the current Year.

203.12 Commercial & Industrial Service < 5 MW

A. Availability.

Commercial & Industrial Service < 5 MW is available at the Cooperative's sole discretion for electric service to all Members in accordance with the Cooperative's Service Rules and Regulations to Members receiving primary voltage whose peak demand was equal to or greater than 600 kW but less than 5 MW for all commercial and industrial uses.

Members requesting service greater than 5 MW shall contact the Cooperative. All service greater than 5 MW shall be served at a special contract rate.

B. Type of Service.

The electric service furnished hereunder shall be three-phase service, where available, at the Cooperative's standard primary distribution voltages.

C. Monthly Rate.

Each billing period the Member shall be obligated to pay the following charges:

	Generation & Transmission	Distribution	Total
Member Charge < 5 MW		\$160 per meter	\$160 per meter
Member Charge > 5 MW		\$510 per meter	\$510 per meter
System Capacity Charge all		\$2.74 per NCP kW	\$2.74 per NCP kW
Generation Capacity Chg. < 5 MW	\$15.48 per CP kW		\$15.48 per CP kW
Generation Capacity Chg. > 5 MW	\$15.19 per CP kW		\$15.19 per CP kW
Energy Charge < 5 MW	\$0.038070 per kWh	\$0.004449 per kWh	\$0.042518 per kWh
Energy Charge > 5 MW	\$0.035150 per kWh	\$0.004449 per kWh	\$0.039598 per kWh
Power Cost Recovery Factor	Plus PCRF		Plus PCRF

- (1) Monthly rates for Members qualifying for service under this tariff shall vary, depending on whether the Member's load is greater or less than 5 MW. This determination shall be made at the sole discretion of the Cooperative as based upon the member's historical or planned load and, once a customer has been placed in this tariff and/or into a kW size option, may not be changed to a different tariff or kW size option more than one time per a 12-month period without the permission of the cooperative; and
- (2) Member Charge is for the availability of electric service; and
- (3) System Capacity Charge is for the rate at which energy is used and is applied to the maximum kW demand established by the Member for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than 75% of the highest adjusted kW demand established in the billing period of eleven (11) months preceding the billing period or 5,000 kW, whichever is greatest; and
- (4) Generation Capacity Charge (Coincident Peak or CP Capacity) is the rate at which energy is used and is applied to the actual metered kW demand established by the Member coincident with the Cooperative's power supplier's billing demand, but in no event is the Generation billing demand less than 100% of the Member's contribution to the Cooperative's power supplier's peak billing demand for the next 12 months.

Currently the power supplier's peak billing demand is established during summer months as the average of the ERCOT peaks, and the billing demand for the next 12 months shall be 100% of that average, but should the Cooperative's power supplier modify its method for billing demand, it will be immediately applied to this rate as well.

If the Member has no prior history or if the Cooperative cannot determine the Member's contribution to the existing power supplier's peak, the value used for the Generation Capacity billing demand shall be the System Capacity billing demand; and
- (5) Energy Charge is for delivery of energy and shall be applicable to all kWh usage during each billing period.

D. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period, whether or not any energy is actually used:

- (1) The sum of the System Capacity Charge, Generation Capacity Charge, Energy Charge and the Member Charge or the amount stated in the Electric Service Agreement, \$1 per installed transformer kVa, or the Member Charge plus the System Capacity Charge times 5,000 kW, whichever is greatest; plus
- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fees.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

203.13 Block and Index Service

A. Availability.

VEC may terminate service under this tariff at any time with proper notice.

The end-use VEC Member requesting service under the terms of this tariff is referred to within this tariff as “the Member,” “the New Load,” or “the Member’s New Load.”

The Member shall pay to VEC and/or its power supplier 100% of the cost of construction including, but not limited to, cost of new transmission, substation, distribution, metering and other facilities, along with any legal, engineering, consultant or other costs incurred by VEC and/or its power supplier required to serve the Member’s load. The Member may not be served from any portion of any existing VEC facilities without the prior permission of VEC. Such payment shall be made in full prior to construction beginning unless other arrangements are made with VEC and/or its power supplier. Said facilities shall belong to VEC and/or its power supplier.

VEC may offer Block and Index Service (“BIS”) rate schedule available to VEC Members within VEC’s certified service territory who have meet the following requirements:

- (1) Requests BIS service from VEC and, where required, from VEC’s power supplier using documents provided by VEC, and
- (2) Service is new loads with new consuming facilities not previously having received service through VEC from VEC’s power supplier under the power supplier’s Wholesale Power Supply tariff schedule for the last twelve (12) months, and
- (3) Receives approval from VEC’s board and, where required, from VEC’s power supplier for service following application,” and
- (4) Agrees to meet all requirements of this BIS rate schedule as further defined below, along with any additional requirement from any regulatory body such as ERCOT, and
- (5) Power supply is to be provided through VEC and VEC’s power supplier from a specific power supply resource through such service from such specific power supply resource as accounted for herein below, and
- (6) Member’s service shall have the characteristics described herein and shall be located at a new metering point.

Capitalized terms used herein and not defined herein shall have the meanings assigned to them in ERCOT Nodal Protocols as amended from time to time, where applicable.

As described above, this BIS rate schedule is available to Members only after:

- (1) The Member agrees to pay as a non-refundable contribution in aid of construction, including all costs described in the availability clause above prior to start of construction.
- (2) The VEC Board of Directors has approved by resolution to provide Power Supply, as that term is defined herein, that will be used in whole or in part to serve a New Load and only after all of the following terms have been satisfied:
 - a. The Member shall provide to the VEC Board of Directors a request for service, and where required a request to VEC’s power supplier’s Board of Directors.
 - b. VEC may approve this request and, if so approved, shall submit a resolution requesting service from VEC’s power supplier through VEC to the power supplier’s Board of Directors, for each New Load as requested by the Member.
 - c. The Member agrees to reimburse or to pay an estimated cost in advance at VEC’s sole discretion to guarantee all of VEC’s costs and expenses related to all services provided in accordance with this BIS rate schedule.

- d. The Member shall provide all information requested by VEC relating to each New Load for which Member is requesting BIS service.
- e. the Member shall have defined the name and location(s) of each New Load as well as the requested date of initiation of service to each New Load,
- f. The Member meets and shall continue to meet all conditions in this BIS rate schedule.
- g. The Member confirms that, if approved, it will take service under this BIS rate schedule.
- h. In the event the ERCOT market changes appreciably, as determined in VEC's sole discretion, in facilitating the availability of this energy-only Block and Index Service to New Loads, this BIS rate schedule will terminate.

B. Application.

"New Load" is defined as Load located exclusively within VEC's retail service territory, with such Load being located at either a single location or at multiple, aggregated locations, with each aggregated location having 1,000 kW or more of peak demand, that:

- (1) Will ramp up to 5,000 kW or greater of peak demand with a minimum of 50% load factor (in the aggregate) at its location within eighteen (18) months after the single, or aggregated locations of the Load begin to take permanent service at a particular Delivery Point (after temporary construction power is no longer being provided by VEC) and such Load is not, and has not, received service for the same or similar consuming facilities under another Wholesale Power Supply rate schedule at a particular Delivery Point, as that term is defined below in this BIS rate schedule, and
- (2) Has contracted for electrical services for such BIS load of 5,000 kW or greater peak demand with a minimum of a 50% load factor (in aggregate) on or after the Effective Date as described herein, and
- (3) Such additional 5,000 kW is either metered at one Delivery Point or is no less than 1,000 kW at a location with all locations in the aggregate reaching at least 5,000 kW, and
- (4) If an aggregated New Load taking service at more than one location, each location is commonly owned or franchised with all of the other locations that are part of the aggregation by the New Load such that there is an identity of ownership between the locations, or each location is wholly owned by
 - a. The same agency of either the State of Texas or the United States government, or (b) by the same political subdivision of either the State of Texas or of the United States government, and
 - b. Is a new customer of VEC, having not taken service from VEC at such location(s) or such New Load is an expansion of an existing Load with additional, new peak demand that has increased by 5,000 kW and is interconnected at a separate metering point or metering points for aggregated New Loads, such that all 5,000 kW or greater kW is considered "New Load", and
 - c. Is served under the provisions of this tariff; and provided all of the other requirements set forth in this BIS rate schedule have been satisfied.
- (5) VEC may, at its sole discretion, choose to add an additional new location to an existing New Load aggregation, or remove a location from an existing New Load aggregation at any time provided that if including new locations in the aggregation, the locations meet the requirements to be part of the aggregation, including the 1,000kW peak demand requirement, and the Member provides the required information in the Application section of this tariff. Notwithstanding the foregoing, however, any block purchases made for such New Load will continue to be the obligation of the Member for such New Load. For purposes of this BIS rate schedule, Effective Date as used herein means.

C. Approval.

The VEC Board of Directors, and where applicable, VEC's power supplier's Board of Directors, may approve a request to contract for Power Supply to provide service to Member for each New Load under this BIS rate schedule only after:

- (1) Receipt by the VEC Board of Directors of a request from the Member that meets the requirements stated herein, and
- (2) Receipt, where required, by VEC's power supplier's Board of Directors of a resolution from the VEC Board of Directors that meets the requirements stated herein;
- (3) The Member has provided to VEC and VEC has provided to its power supplier all of the characteristics of the New Load requested by VEC including, but not limited to, the name and location(s) of the New Load, the date of initiation of service to the New Load, and the maximum peak demand, minimum demand, average expected demand by month, and load factor for the single or aggregated locations of the New Load for the entire Term;
- (4) Member has agreed that it is obligated to pay all costs, expenses, charges and other amounts owed pursuant to this BIS rate schedule or associated with or related to both VEC and VEC's Power Supply provided hereunder;
- (5) VEC and its power supplier have received confirmation from the Member for the initial or any subsequent Term that the Power Supply and associated pricing are to be used to serve the New Load pursuant to this BIS rate schedule;
- (6) Member has provided the Block (as defined herein below) characteristics to VEC and its power supplier;
- (7) Member has approved the pricing associated with such Block purchase;
- (8) The member has paid in full any amount of contribution in aid of construction as required by VEC and/or its power supplier.

D. Character of Service.

VEC shall supply 60 cycles, alternating current service to the Delivery Point(s) as defined below in this BIS rate schedule, consistent with VEC's current Wholesale Power Contract as approved from time to time by the VEC Board of Directors and VEC's power supplier's Board of Directors.

E. Delivery Point.

The "Delivery Point" shall be the point at which ownership of the delivery facilities changes from VEC to the Member or from VEC to the Load which includes metered connections to distribution facilities that are not owned by the Member.

All Delivery Points taking service under this BIS rate schedule shall be separately metered. Load served by a Delivery Point taking service under this BIS rate schedule shall not have the ability to switch to any other Delivery Point, nor shall any Load being served by an existing Delivery Point be switched to a Delivery Point taking service under this BIS rate schedule.

F. Power Supply Resource.

Energy provided to the New Load shall be purchased through standard blocks with the following shapes:

- (1) 2 days for 16 on peak hours ("2 x 16"),
- (2) 5 days for 16 on peak hours ("5 x 16"),
- (3) 7 days for 16 on peak hours ("7x16"),
- (4) 7 days for 8 off peak hours ("7 x 8"), or
- (5) 7 days for 24 hours ("7 x 24"), (each a "Block").

Each Block shall be purchased by VEC's power supplier on behalf of VEC for the Member for Member's New Load at an agreed Block Quantity (as specified herein) following notice by the New Load of the request for a particular Block provided by no later than the first day of the month prior to the month for which the Block Quantity is to be purchased, and designating the ERCOT-defined Hub or Load Zone of such Block Quantity, with the Load Zone being limited to the Load Zone within which the New Load is located. The Member shall provide to VEC and/or VEC's power supplier (at VEC's sole discretion) by email the designated trading location for each Block and Member's New Load's Block Quantity in the Block purchase with quantities of at least 5,000 kW or greater, and which would be increased only in 5,000 kW increments, however such amounts in the aggregate may not exceed the peak demand of the New Load ("Block Quantities"). VEC's power supplier on behalf of VEC shall source and price any additional energy for the Member's New Load in either the ERCOT-administered Day Ahead Market at the Day Ahead Market price or the Real-Time market at the Real-Time market price (the "Index") at the Load Zone to which the New Load is assigned. The Member's New Load shall provide to VEC and VEC's power supplier by email the designated hourly energy purchase volumes and corresponding bid prices from the Day Ahead Market prior to 08:00 Central Prevailing Time ("CPT") the day before the Operating Day for the New Load the individual Load Zone(s) of the New Load, which volumes shall not exceed the New Load's peak demand less any Block purchases over the applicable time period ("DAM Volumes"). If no DAM Volumes are received prior to 08:00 CPT the day before the Operating Day, then VEC shall source all energy above the Block Quantity for the New Load in the Real Time Market. Any difference, whether positive or negative, between (i) the sum of the Block Quantity and DAM Volumes successfully procured in the Day Ahead Market, and (ii) the metered load, as captured by the ERCOT settlement systems, shall be settled in the Real Time market at such Index price. All Ancillary Services shall be procured at the volumes and prices as determined by ERCOT. In the case where VEC is required to take power from a specific resource by agreement, VEC shall be billed by its power supplier and shall in turn bill the Member during the Term for the costs of the Block Quantity for the Block shape for energy, as well as any additional energy at the Index price, and Ancillary Services for the participating New Load as though such energy and Ancillary Services

were sourced from the specified Block purchase, and Index price for any quantities in excess of the Block Quantity.

Collectively, all of the above services and requirements described in this Power Supply Resource paragraph shall be defined herein as the "Power Supply," for energy needed to serve each New Load, without any associated capacity being made available to such New Load. Each contract for Power Supply shall be for a minimum term of at least two (2) years but no more than ten (10) years (the length of such term being referred to as the "Term" as specified for each Member's New Load for purposes of this tariff schedule).

VEC or its power supplier may require that the Member provide to VEC and/or its power supplier an irrevocable letter of credit, issued by a third party acceptable to VEC and its power supplier, and in a form and substance approved by VEC and its power supplier, all at VEC's sole discretion, to be held by VEC and/or its power supplier until all Power Supply commitments in its agreement with VEC and/or its power supplier have been met throughout the Term.

G. Power Supply Charges.

Power Supply Charges shall include all costs of the Power Supply plus the costs for ERCOT Ancillary Services, ERCOT administrative fees, ERCOT transmission congestion and other ERCOT fees or charges uplifted or assigned to market participants by ERCOT, Texas Reliability Entity ("TRE") fees, any fees, penalties or charges associated with noncompliance with regulations of any governmental authority including without limitation the ERCOT, NERC, and TRE, transmission losses and any other charges associated with the scheduling, procurement, delivery and production of electric power provided by the Power Supply, plus the Service Rates, as defined herein below.

The Member will be responsible for paying all amounts associated with any Block purchase for its New Load, however Member will be credited for the Real-Time Market price for the unused energy associated with a Block purchase made on behalf of the Member's New Load.

If the Member's New Load ceases to take service for any reason, the Member shall still be obligated to pay for the Block purchase in full at the time the Monthly Charge is rendered for the entire duration of the Term, regardless of Member's New Load's consumption of any or all of such Block procured for Member's New Load.

H. Service Rates.

The "Service Rates" are rates that when applied to megawatt-hours ("MWH") of energy measured for the New Load, determine the revenues VEC and its power supplier require for production-related administrative and general expenses, power and energy scheduling expenses, and Margins per the formulas set forth below. Service Rates shall be determined annually on a nondiscriminatory basis calculated in accordance with the service characteristics of each New Load and shall apply for the full Term as that term is defined below.

Service Rates are calculated as follows:

Production related administrative and general annual expense [A]

Qualified scheduling entity annual expense [B]

Production related annual margin [C]

Annual energy delivered to system load (MWH) [D]

Energy Rate (\$/MWH) = Maximum of $((A + B + C) \div D)$ or \$1

where,

[A] is the annual amount that VEC and its power supplier determine in their budgeting process is necessary to recoup the administrative and general expenses related to the supply of generation, which has the same meaning as production supply.

[B] is the annual amount that VEC and its power supplier determine in their budgeting process will equal the expenses of its wholesale marketing and qualified scheduling entity costs for the year.

[C] is the annual amount of excess revenues for providing service related to production, net of expenses and costs, that VEC and its power supplier determine in its budgeting process is reasonable

[D] is the total annual energy in MWH expected to be delivered to all Delivery Points to serve the Member's New Load.

I. Make Whole Capacity Charge.

By December 1st of each year, the VEC Board of Directors and/or VEC's power supplier's Board of Directors shall approve a Make-Whole Capacity Charge calculation applicable to the following calendar year for any Member New Load that does not achieve a load factor of 50% or greater (in aggregate) and is taking service under this BIS rate schedule.

The Make-Whole Capacity Charge calculation shall be calculated using forward market prices for energy for the South Load Zone as published by the Intercontinental Exchange ("ICE"), or if ICE is not available a similar energy trading platform selected by VEC and its power supplier in their sole discretion, and shall estimate the demand charge losses incurred as though the energy and capacity for the Member New Load was procured from a specific power supply resource. This Make-Whole Capacity Charge calculation shall be made available following approval by the VEC and the VEC power supplier Boards of Directors.

By January 31 of each calendar year, VEC and its power supplier shall calculate, in their sole discretion, the load factor for each individual Member New Load taking service under this BIS rate schedule. For those Member New Loads that had a load factor less than 50% and that were not within the first eighteen (18) months ramp-up period described in the Application section of this BIS rate schedule, VEC shall charge the Member a Make-Whole Capacity Charge as determined by the Make-Whole Capacity Charge calculation applicable for the calendar year in which the energy was consumed beginning in month nineteen of the Term. One twelfth (1/12) of this Make-Whole Capacity Charge shall be billed to the Member for the next twelve (12) months.

J. Monthly Charge.

In addition to the up-front payment of the contribution in aid of construction as discussed above, the Monthly Charge will be equal to the sum of:

- the Power Supply charges billed by VEC's power supplier to VEC and by VEC to the Member, and
- any ERCOT related costs associated with the provision of service including administrative fees, congestion costs, acting as Qualified Scheduling Entity, Reliability Unit Commitment charges and Ancillary Services or other ERCOT fees, charges or payments assessed to market participants including VEC and its power supplier;
- the New Load's load ratio share of the monthly cost incurred to post with ERCOT a VEC and its power supplier-determined amount of collateral for participation in the ERCOT markets; and
- Member shall be obligated to pay the Monthly charge for the entire Term regardless of Member's New Load's consumption of the Block, and

Member Charge:	\$750.00 per month
Monthly NCP Demand Charge:	\$1.50 per kW at Substation Level
	\$4.45 per kW at Distribution Primary Level
	\$6.34 per kW at Distribution Secondary Level

Minimum Bill: Member Charge plus NCP Demand Charge

NCP Demand Charge shall be the highest of the following:

1. Highest 15 minutes kW usage established by the Member each month
2. 100% of the demand billed in the prior 12 months
3. 25,000 kW

K. Additional Charges.

If the Member fails to timely provide notice prior to terminating this rate schedule to its New Load, such Member shall be responsible for paying the positive monthly difference, if any, between the Power Supply Charges incurred under the Wholesale Power Supply Service rate schedule if the Member's New Load takes service under such rate schedule, less the net of the (i) Block purchase price multiplied by the Block quantity, and (ii) any ERCOT revenues

or charges for settlement of the Block. These charges shall be charged for service throughout the Term.

L. Term, Renewal and Termination of Service.

Service under this BIS rate schedule shall be provided for the Term established by VEC of a minimum of two (2) years and a maximum of ten (10) years pursuant to this rate schedule, that is approved by the VEC Board of Directors, and where required by VEC's power supplier's Board of Directors, and which, during the time this tariff schedule is effective, shall commence as of the first date of delivery of electric power and energy at the specified Delivery Point. No later than six (6) months prior to the end of a Term, (i) the Member shall notify VEC and VEC shall notify its power supplier that it seeks to continue to receive service under this BIS rate schedule. VEC or its power supplier may terminate this rate schedule due to the noncompliance of Member's New Load upon notice to Member, including the failure of the New Load to reach the 5,000kW peak demand requirement hereunder or the failure of the New Load to reach the 1,000kW peak demand requirement at any aggregated location during the first eighteen (18) months of the Term. No later than six (6) months prior to the end of a Term, or Member's termination of this rate schedule as to its New Load, the Member shall notify VEC and VEC shall notify its power supplier that it seeks to discontinue service under this BIS rate schedule for such New Load.

M. Surety.

Prior to permitting a Member to utilize this BIS rate schedule for service to a New Load, Member shall provide evidence acceptable to VEC and its power supplier that the New Load taking service has posted a letter of credit, in the form approved by VEC and its power supplier, as required by VEC and its power supplier, for the benefit of VEC and its power supplier. The required letter of credit posting in favor of the Member by the New Load shall be in an amount that reflects the sum of the highest cost months within the Term. Such amount shall be calculated by averaging together, the highest two (2) (or in VEC's sole discretion three (3) highest) monthly forward energy prices on the Intercontinental Exchange ("ICE"), or if ICE is not available a similar energy trading platform selected by VEC or its power supplier in VEC's sole discretion, for such Member's New

Load's Load Zone (as established by ERCOT) for the next twelve months of the Term multiplied by the expected quantity of energy to be delivered to the New Load during those highest two (2) months (or in VEC's sole discretion three (3) highest months), plus an approximation of the other Power Supply Charges that VEC estimates the Member would incur for the New Load during those two (2) months (or in VEC's sole discretion three (3) months) such that in the event the New Load ceases to take service or pay for service during a Term, Member can pay all costs associated with the Power Supply obtained by VEC and its power supplier to serve the New Load. All such estimates by VEC made hereunder shall be in VEC's sole discretion.

VEC shall require that the Load provide incremental collateral in the form of cash or a letter of credit posted in favor of VEC when the average forward price of energy for the next seven (7) operating days as published by ICE exceeds \$1,000/MWh. Such incremental collateral shall be calculated as seven multiplied by the daily average quantity of the most recent seven (7) days of energy procured from ERCOT through both the Day-Ahead Market and Real-Time Market multiplied by the ERCOT offer cap in effect at the time the incremental collateral posting is calculated. Such incremental collateral shall be posted by the Load within two (2) business days of the request and shall remain posted for at least thirty (30) days after the average forward price of energy for the next seven (7) operating days as published by the Intercontinental Exchange is less than \$1,000 MWh.

All New Loads consisting of aggregated locations and which are located on VEC's distribution system and metered by VEC must have meters installed by VEC at each location that is capable of 15-minute metering granularity. Meter reads for each location must be provided by VEC to its power supplier as required. VEC and its power supplier shall apply losses to the Grossed-up Distribution Meter Read consistent with the ERCOT prescribed methodology for the application of transmission losses to wholesale delivery points and shall use this value for settlement of the Power Supply Charges.

203.14 Large Industrial Load Service ("LILS")

- A. This LILS service is available to all large power and industrial customers that a cooperative Member has contracted with VEC for electrical services of 75,000 kW or greater peak demand, pursuant to the terms of an "Electric Service Agreement" ("ESA"). The ESA shall set forth all the terms, conditions, and requirements under which VEC shall serve the load.
- B. The LILS terms and rates are available to a contracting cooperative Member only after approval of the ESA by the VEC Board of Directors; pursuant to a commitment by the cooperative Member of all the terms and conditions of the ESA.
- C. Industrial Service Under STEC LILS
The Cooperative's 'Industrial Service Under STEC LILS' is hereby incorporated by reference and made a part of this tariff. This document is maintained separately and is available upon request.

203.15 Wholesale Transmission Service at Distribution Voltage Distribution Voltage (WTS-DV)

- A. Application.
The service provided pursuant to this tariff is transmission service, as defined in Public Utility Commission of Texas (Commission) Substantive Rules, Subchapter A, 25.5, using the Cooperative's facilities rated at less than 60 kilovolts. The Cooperative will make the service available in accordance with Commission Substantive Rules, Subchapter I, 25.191-25.198 and 25.199-25.2034, within 20 days of receipts of a completed application for service as required under Commission Substantive Rules, Subchapter I, 25.198(b).

The 20-day deadline to provide service will not apply if adequate facilities are not in place at the time service is requested. If adequate facilities are not in place at the time service is requested, the Cooperative will construct new facilities or alter existing facilities as necessary, and make the service available, as soon as reasonably possible.

A contribution in aid of construction (CIAC) may be required if facilities must be constructed to provide the service, or if existing facilities must be altered to provide the service, in accordance with Commission Substantive Rules, Sub chapter I, 25.191. All facilities altered or constructed by the Cooperative will remain the property of the Cooperative.

The terms and conditions for the service are those stated in Commission Substantive Rules, Subchapter I, 25.191-25.198 and 25.199-25.2034.

Service under this tariff is wholesale wheeling service and is not available for retail service.

B. Type of Service.

The Cooperative will provide this service at one point of delivery and measured with one meter, using facilities rated at less than 60 kilovolts, at 60 hertz, and at the Cooperative's standard primary distribution voltages.

C. Definitions.

(7) Wheeling kW is the greater of the following:

- a. The highest 15-minute kW recorded for all load placed by the Customer on the Cooperative's distribution system
- b. The amount specified in the Service Agreement between the Cooperative and the customer.

(8) Peak Retail kW is the highest 15-minute kW recorded for any loads that may be served under retail rates by the Cooperative for Customer at the wheeling location under the same meter. This shall not be applied if all retail loads are separately metered and billed under the Cooperative's standard retail tariffs.

(9) Substation Level WTS-DV Service is wholesale electric service provided to an eligible customer from the Cooperative's distribution lines operated at voltages below 60 kV where the customer takes service within 600 feet of a substation serving the Cooperative.

(4) Distribution Primary Level WTS-DV Service is wholesale electric service provided to an eligible customer from the Cooperative's distribution lines operated at voltages below 60 kV where the customer takes service beyond 600 feet of a substation serving the Cooperative and where the service is provided at distribution primary voltage.

(5) Distribution Secondary Level WTS-DV Service is wholesale electric service provided to an eligible customer from the Cooperative's distribution lines operated at voltages below 60 kW where the customer takes service beyond 600 feet of a substation serving the Cooperative and where the service is provided at distribution secondary voltage.

D. Monthly Rate.

(1) Customer Charge: \$100.00

(2) Transmission Service Charge

Customer shall be billed one (1) of the following, depending on service level:

Substation Level WTS-DV Service with no CIAC	\$0.09 per kW of Billing Demand
Substation Level WTS-DV Service with CIAC	\$0.04 per kW of Billing Demand
Distribution Primary WTS-DV Service Level	\$2.99 per kW of Billing Demand
Distribution Secondary WTX-DV Service Level	\$3.83 per kW of Billing Demand

(3) Billing Demand Determination.

The calculation of the monthly Billing Demand shall be:

Billing Demand = Wheeling kW minus any Peak Retail kW, but not less than zero.

(4) Payment.

The monthly bill for WTS-DV Service is the sum of the Customer Charge and the product of the Transmission Service Charge and the Customer's billing demand, plus any additional compensation for line losses resulting from Customer's WTS-DV. The Cooperative must receive payment by the 20th calendar day after the date of issuance of the bill, unless the Cooperative and the Customer agree on another mutually acceptable deadline. Interest will accrue on any unpaid amount.

(5) Other Costs.

The Customer shall be responsible to reimburse the Cooperative for any direct costs incurred to provide service under this rate schedule unless the Cooperative agrees at its sole discretion to include some or all substation plant investment costs within the rate. In this case and only in this case, will the customer be billed under the "Substation Level WTS-DV Service with no CIAC" rate.

Where not billed as described in the preceding paragraph, the Customer shall be billed for any direct costs incurred to provide service under this rate schedule. These include but are not limited to the costs of necessary engineering analysis, planning, construction, right-of-way acquisition, licensing and permitting, rate development and rate case expenses, special equipment required, operating expenses caused by the operation of the Customer's generation, and transmission or other ancillary charges billed to the Cooperative for the Customer's generation.

E. Agreement.

An Agreement for Wholesale Transmission Service at Distribution Voltage is required.

If a line extension is required in order to provide service to a customer, an agreement for electric service with a fixed term may be required by the Cooperative. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction, or if none, by the Cooperative's board of directors; service hereunder is subject to the Cooperative's tariff for electric service.

Notwithstanding anything in this Tariff to the contrary, disconnection by the Cooperative of the service described in this rate schedule shall be implemented consistent with the rules of the applicable regulatory authority having jurisdiction, if any, and appropriate sections of this Tariff.

203.16 Lighting Services.

A. Availability.

Yard Lighting Service is available for the lighting of outdoor areas in accordance with the Cooperative's Service Rules and Regulations.

B. Type of Service and Monthly Rate.

The lighting service furnished hereunder shall be single-phase service at the Cooperative's standard secondary distribution voltages. Each billing period the Member shall be obligated to pay for all light charges associated with each location.

C. Minimum Charge.

Each Member shall be obligated to pay the following minimum charges each billing period:

- (1) The Monthly Charge; plus
- (2) Any applicable billing adjustments; plus
- (3) Any applicable service fees.

	Rate		Energy Use	Generation & Transmission	Distribution	Total
Flood Lighting						
LED Flood Light 120 Volt	142		63	\$2.72	\$21.33	\$24.05
LED Flood Light 480 Volt	142		63	\$2.72	\$21.33	\$24.05
Yard Lighting						
LED Yard Light 120 Volt	141		13	\$0.56	\$11.58	\$12.14
Street Lighting						

LED Cobra Head Street Light 120 Volt	143		37	\$1.60	\$10.54	\$12.14
LED Post Top Light 120 Volt	144		37	\$1.60	\$11.65	\$13.25
	Rate	Energy Use	Generation & Transmission	Distribution	Total	
Flood Lighting						
250 Watt HPS Flood	124	105	\$4.53	\$19.52	\$24.05	
400 Watt HPS Flood	137	155	\$6.69	\$33.65	\$40.34	
1,000 Watt HPS Flood	138	367	\$15.85	\$38.42	\$54.27	
Yard Lighting						
100 Watt HPS	123	40	\$1.73	\$10.41	\$12.14	
Street Lighting						
100 Watt HPS Cobrahead	133	40	\$1.73	\$10.41	\$12.14	
250 Watt HPS Cobrahead	136	105	\$4.53	\$19.48	\$24.01	
400 Watt HPS 480 Volt	139	155	\$6.69	\$33.65	\$40.34	

D. Special Conditions.

- (1) Replacements of bulbs and photo cells will be made by the Cooperative at no cost for the labor and/or bulbs unless the replacement is required because of malicious mischief and vandalism including breakage due to rocks, bullets, etc., in which case the Member shall pay the replacement cost of the damaged part plus the trip fee, as specified in Section 207.1B, after the Cooperative has replaced, at no cost to the Member, the first bulb damaged by vandalism.
- (2) If the Member requests that the Cooperative replace any fixture or non-damaged part of any fixture, then the Member shall pay a trip fee, as specified in Section 207.1B, plus the cost of the replacement parts.
- (3) Upon termination of service, the Cooperative shall have the right to remove from the property of the Member any equipment which the Cooperative may have installed to provide service under this rate schedule.
- (4) If an outage of a light maintained by the Cooperative occurs, Member shall notify the Cooperative of such outage and Cooperative will be allowed five working days after such outage has been reported in which to restore the lighting service.

E. Relocation or Change.

The Member shall pay all actual costs for the relocation or modification of any of its facilities or a \$100 service fee, whichever is greater.

F. Requests of Yard Light.

If a Member requires or requests the installation of a fixture at a location where the Cooperative does not have an existing pole, then the Member shall pay a non-refundable contribution in aid of construction which shall include the cost of all labor, material, and overhead required for the installation of the pole(s), and the extension of primary and/or secondary service from the Cooperative's existing facilities to the new pole.

G. Billing Adjustments.

This rate is subject to all applicable billing adjustments as specified in Section 206, including Power Cost Recovery Factor (PCRF) charges.

H. Installation/Disconnect Fees.

If the Member requires or requests the installation of a yard light and an existing pole is present, the cost to install is \$50.00. Disconnection of an existing yard light is \$50.00.

203.17 Purchases from Qualifying Facilities.

A. Purchase from Qualifying Facilities.

(1) Waiver of Purchase/Sale Obligations.

By its order in Docket 7754, the Public Utility Commission of Texas (PUC) granted to South Texas Electric Cooperative, Inc. (STEC) a waiver of its obligations to sell retail capacity and energy to Qualifying Facilities (QFs) and granted to Karnes Electric Cooperative, Inc., Nueces Electric Cooperative, Inc., San Patricio Electric Cooperative, Inc., Victoria Electric Cooperative, Inc., Jackson Electric Cooperative, Inc., Magic Valley Electric Cooperative, Inc., Medina Electric Cooperative, Inc., San Bernard Electric Cooperative Inc, and Wharton County Electric Cooperative, Inc. (collectively Wholesale Members) a waiver of their obligations to buy capacity and energy directly from QFs. STEC will purchase energy and capacity which a QF may seek to sell and the Wholesale Members will sell retail capacity and energy to QFs within the Wholesale Member's service area.

(2) Purchases from QFs by STEC.

STEC's payment to QFs for purchases of energy and capacity will be based upon the cost STEC can avoid, which is in turn based upon the incremental cost of energy and capacity to the STEC/Medina Power Pool as computed by STEC or as set forth in any applicable avoided cost filing with any regulatory authority.

(3) Superseding Effect.

To the extent that any other provisions of this tariff, previously approved, are contrary to the waivers granted by the PUC in Docket 7754 such provisions are superseded and no longer of any effect.

B. Sales to Qualifying Facilities.

(1) Availability.

This tariff is applicable to sales of electricity to a "Qualifying Cogeneration Facility" ("QF") as defined in Section 3 (18) and of the Federal Power Act, as amended, 16 U.S.C.A. 796 (18) and regulations there under provided the QF is interconnected with and served directly from the transmission system of South Texas Electric Cooperative, Inc. ("STEC") and provided the QF is located in the retail service area of the Cooperative.

(2) Type of Service.

Retail electric service for Supplementary, Back-up, Maintenance, and Interruptible Power or combinations thereof.

(3) Rates.

Rates for sales shall be just and reasonable and shall not discriminate against a QF in comparison to rates for sales to other Members served by the Cooperative. The rate to be charged by the Cooperative for such retail service(s) shall be developed at the time such service is requested, and shall be designed on a basis which:

(a) excludes system distribution costs to the extent the Cooperative's distribution facilities and services are not involved in the rendition of such service, and

(b) is uniform among the STEC Member Distribution Cooperatives providing such service insofar as the cost of power and energy from STEC to STEC's Member Cooperative. The Cooperative waives the monthly Member Service Charge for QFs selling energy and/or capacity directly to STEC.

(4) Interconnection Standards.

Interconnections shall be carried out in a manner consistent with the standards utilized by STEC in establishing interconnections generally, and in compliance with the Interconnection Plan developed by the Cooperative.

- (5) Interconnection Costs.
The QF shall pay in advance all interconnection costs. No QF electing to take service under the terms described above shall be subject to duplicate interconnection charges for wheeling of back-up power from the Cooperative, and, no QF shall be required to build separate facilities to the Cooperative to receive back-up services.
- (6) Terms & Conditions.
The availability of this tariff and terms and conditions under which this tariff is applied shall be subject to the Cooperative's Service Rules and Regulations, STEC's rules and regulations, and to any applicable provisions of any regulatory authority having jurisdiction over the said terms and conditions.
- (7) Perform Marginal Cost Study.
The Cooperative shall perform a marginal cost study based upon the specific requirements of the Member or applicant. This study shall be initiated upon the request of a Member or applicant, or if the Cooperative determines that a competitive situation exists where a Member or applicant may receive service from an alternative source of power.
- (8) Negotiate Final Rates and Charges.
Cooperative personnel and the Member or applicant shall discuss and negotiate rates, charges, and other terms and conditions for electric service.

203.18

Competitive Contract Power Service.

A. Availability.

Available in all territories served by the Cooperative, in accordance with its established rules and regulations and subject to the execution of a written agreement for service provided here between the Member and the Cooperative. Service under this schedule is available only to Members whose electrical loads qualify the Cooperative to purchase power and energy under its wholesale supplier's Competitive Rate Schedule.

This tariff is not available in conjunction with service taken under the Emergency Interrupted Rate or other discounted rate and is not available for temporary, standby or breakdown service, or for parallel operation.

C. Applicability.

Applicable to existing Members of the Cooperative with metered loads of not less than 1,000 kW peak demand who have measurable and economically viable alternative source of power to serve all or a portion of their electrical requirements. This rate schedule is only applicable to that portion of the Member's load which is currently being served or being evaluated for service by sources of power other than the Cooperative. Also applicable to new Members with projected metered loads of not less than 1,000 kW, or existing Members who propose to add additional load such that the combined existing and additional load can be sustained to be not less than 1,000 metered kW.

Service under this tariff will normally be supplied to a retail Member through one point delivery, except that meter serving the same consuming facility may be aggregated. In addition, oil well pumping and oil production-related loads may be served through multiple points of delivery and combined for service under this tariff if:

- (6) Each point of delivery has a metered demand of not less than 100 kW for a combined total metered load of not less than 1,000 kW,
AND
- (7) All points of delivery combined for service under this tariff are located within, and are loads within a single oil field as identified by the Texas Railroad Commission.

C. Type of Service.

Three-phase, 60 Hertz, at available voltages or other voltage as is mutually agreeable.

D. Monthly Rate.

- (3) The Wholesale Power Cost Charge shall be the sum of all charges billed to the Cooperative by its wholesale power supplier for service rendered hereunder to the Member.
- (4) The Member Charge shall consist of costs other than purchased power costs attributable to the qualifying Member. These costs include, but are not limited to, distribution plant facilities costs, general plant facilities costs, operation and maintenances expenses, and any other member- related costs.

E. Minimum Monthly Charge.

The minimum monthly charge shall be such a charge as specified in the agreement for service between the Cooperative and the Member.

F. Power Factor.

The Member is required to maintain a 95% power factor measured at the point of interconnection as required by PUC Subst. R. 23.70. Should the Member not maintain the required power factor, the distribution cooperative may install at Member's expense the required equipment to ensure a 95% power factor.

G. Term of Payment.

The terms of payment shall be specified in the agreement for service between the Cooperative and the Member.

H. Term of Service.

Service hereunder shall be effective to each Member served hereunder based on the individual contract term set forth in the written agreement for service between the Cooperative and the Member. Such agreement shall include a facilities abandonment provision to ensure recovery of the total investment described in the above agreement to cover the cost of any specific electric facilities the Cooperative must add to serve the Member and recovery of any applicable wholesale power supplier abandonment charge including any penalties for any early termination of a power supply agreement. The facilities abandonment charge shall be equal to the unrecovered investment less salvage value, net of the cost of removal. The investment in electric plant facilities used for determining the facilities abandonment charge will be based upon actual construction costs, though a cost estimate may be contained in the agreement. If the actual cost is less than the estimate, the Member will be given the benefit of such variance by a reduction in the facilities abandonment charge. If the actual cost is greater than the estimate, the facilities abandonment charge will be increased. As set forth in the agreement, the facilities abandonment charge may be a lump- sum amount, or may be provided by a schedule of payments made during a specified term and reflecting an appropriate interest rate.

Following termination of service hereunder, the Member's load shall be billed under the Cooperative's rate schedule applicable to Members of similar load size and type, as approved by the Public Utility Commission of Texas.

I. Billing Adjustments.

This rate is subject to all applicable billing adjustments.

204. Small Power Production and Co-Generation.

All matters relating to expense, installation, maintenance, and operation of any power generating installation, including the interconnection and parallel operation of all qualifying facilities as well as electric utility service to such generating installations, shall be governed by the Cooperative's DISTRIBUTED GENERATION PROCEDURES AND GUIDELINES MANUAL FOR MEMBERS, located on the Cooperative's website @ www.victoriaelectric.coop. If any part of the MANUAL shall be in conflict with any other provision of this tariff, the MANUAL shall control. By agreement, the Cooperative and Producer may establish additional or different terms, conditions, or rates for the sale or purchase of electricity.

205. Definitions.

205.1 Power Generating Installation, Generating Installation.

Shall mean a small power production or co-generation facility which is a "qualifying facility" under Sub-part B of the Federal Energy Regulatory Commission's Regulations under Section 201 of the Public Utility Regulatory Policies Act of 1978 including any generator and associated equipment, wiring, protective devices, or switches owned or operated by Producer.

206. Billing Adjustment.

The Cooperative shall adjust all bills in accordance with the following adjustments, if applicable:

206.1 Power Cost Recovery Factor (PCRF).

The monthly charges on all rate schedules shall be increased or decreased, on a uniform per kWh basis, computed monthly as follows:

$$PCRF = \frac{(A - B \pm C)}{D}$$

Where:

PCRF = Power Cost Recovery Factor (expressed in dollars per kWh) to be multiplied by the energy sold to each Member during each billing period.

A = Total estimated cost of purchased power and energy, including fuel, from all suppliers for the billing period.

B = Total estimated purchased power costs from all suppliers which are included in the Cooperative's base rates, computed as:

$$B = (D) \text{ (KWH's)}$$

Where D is \$0.082107 per kWh sold

C = Adjustment to be added to or subtracted from the total amount to be recovered during the current billing period, to adjust for differences between the actual cost of purchased power, energy and fuel, and the actual purchased power cost recovery revenue recovered in previous periods.

In the event the PCRF results in revenues exceeding costs, the Cooperative will maintain an account for PCRF funds to be credited during the next month when power costs exceed revenues. The Cooperative will return any PCRF credit within twelve (12) months.

206.2 Sales Tax.

All bills shall be increased by the amount of any sales tax attributable to the sale of electric service to the Member, unless the Member has previously provided satisfactory proof of exemption to the Cooperative.

206.3 Gross Receipts, Fees, and Franchise Taxes.

The Cooperative may increase each Member's bill for service rendered within the incorporated limits of a municipality which imposes a gross receipts adjustment or franchise tax upon the revenues received by the Cooperative from its Members.

206.4 Regulatory Fees and Assessments.

The Cooperative may increase each Member's bill for service for any fees, assessments, service charges, or any other type of cost imposed upon the Cooperative or caused by any regulatory or governmental authority, including any and all costs charged, imposed or caused by the Electric Reliability Council of Texas (ERCOT) or the ERCOT Independent System Operator.

206.5 Meter Error Adjustment.

If a meter is found to be outside the accuracy standards established by the American National Standards Institute, Inc., proper correction shall be made of previous readings for the period of twelve months immediately preceding the removal of such meter from service for test, or from the time the meter was in service since last tested, but not exceeding twelve months, as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. No refund is required from the Cooperative except to the Member last served by the meter prior to the testing. If a meter is found not to register for any period, unless by-passed or tampered with, the Cooperative shall make a charge for units used, but not metered, for a period not to exceed twelve months based on amounts used under similar conditions during a period or periods preceding or subsequent thereto, or during corresponding periods in previous years.

206.6 Power Factor Adjustment.

Power Factor may be measured by metering loads above 100 kW's and where load is a combination of non-coincidental loads or by calculation on single load installations where lagging power factor is due to a single motor. If on a single load the lagging power factor is detected the, Member will be given one billing period to correct the power factor after which billing will be initiated. If the power factor of an installation is corrected to 95% any time after the Member is billed, power factor billing will cease until such time as the power factor is less than 95%. In the event billing is initiated, the Member will be billed at a rate of 1% of the kW demand for each percent that the power factor is less than 95%, in addition to the normal billing demand.

207. Service Fees.

207.1 Trip Fees.

Except as provided in these rules, the Cooperative may charge for each trip to a Member's premises which is requested by the Member or reasonably required under these rules. These fees shall be collected from the Member at the time the trip is requested by the Member or performed by the Cooperative, or at the Cooperative's discretion may be added to the Member's next bill. Trip fees which the Cooperative may charge include, but are not limited to, the following:

A. Investigation Fee.

If a Member requests that the Cooperative make an investigation of any outage or service irregularity and if the Member reports or causes to be reported a service outage or irregularity and the Cooperative determines that such outage or irregularity was caused by the Member, his facilities, equipment or installation, then the Cooperative may charge the Member \$100.00 for conducting an investigation.

B. Miscellaneous Service Fee.

If a Member requests that the Cooperative make a trip to perform a service for the Member, including, but not limited to such services as yard light modifications (See Section 203.17) or other similar services, the Cooperative may charge the Member \$150.00.

C. Disconnection and Reconnection Fees.

The Cooperative shall charge a fee of \$75.00 as partial compensation necessary to disconnect service or reconnect service to a Member when the service disconnection was initiated by the Cooperative under Section 307.2 or Section 307.3, during normal business hours.

The Cooperative shall charge a fee of \$25.00 as partial compensation necessary to disconnect service or reconnect service to a Member when service disconnection was initiated by the Cooperative under section 307.2 or section 307.3 if the meter at the service location is equipped with a remote disconnect/connect switch, during normal/business hours.

If the disconnection or reconnection is made outside the normal working hours of the Cooperative, the Cooperative shall charge an additional fee of \$75.00 (\$150 total). Disconnection or reconnection outside the Cooperative's normal working hours will be performed only upon request of the Member.

D. Collection Fee.

If Cooperative service personnel make a trip to the Member's location to disconnect service and payment for service is made by the Member to the serviceperson, or if the service personnel make a trip to collect payment, the Cooperative shall charge a trip fee of \$75.00 if the trip is made during normal working hours, and \$200.00 if the trip is made outside of normal working hours. The trip fee shall be paid at the time the trip is made and the Member's outstanding balance collected, or if the balance is not collected, the collection trip fee will be added to the Member's past due amount. Collection trips outside the Cooperative's normal working hours will be performed only upon request of the Member, and will not be made after 8:00 p.m.

207.2 Membership Fee.

Each applicant shall pay a Membership Fee of \$5.00 upon application for service and prior to receiving service. Payment of the Membership fee shall entitle the applicant to be a Member of the Cooperative subject to the Cooperative's Bylaws, Rules, and Regulations.

207.3 Returned Check Fee.

The Cooperative shall charge \$30.00 for each check or other form of payment which is dishonored or returned to the Cooperative. Payment for any check or e-check that has been returned for insufficient funds, or dishonored for any other reason, shall be made only by cash, credit/debit card, money order or cashier's check.

The Cooperative may not accept personal checks or e-check from a Member for payment of electric service if that Member has, during the last twelve (12) consecutive month period, had a check returned to the Cooperative for insufficient funds, or dishonored for any other reason, on more than one (1) occasion. The Cooperative will accept only cash, money orders, credit/debit card payments, or cashier's checks from Members when personal checks are not accepted.

207.4 Meter Test Fee.

The Cooperative shall, upon the request of a Member, and, if the Member so desires, in the Member's presence or in that of an authorized representative, make without charge a test of the accuracy of the Member's meter. The test shall be made during the Cooperative's normal working hours at a time convenient to the Member if the Member desires to observe the test. The test shall normally be made on the Member's premises, but may, at the Cooperative's discretion, be made at a test laboratory designated by the Cooperative.

If the meter has been tested by the Cooperative, or by an authorized test laboratory, at the Member's request, and within a period of four years the Member requests a new test, the Cooperative shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, Incorporated, the Cooperative may charge the Member a fee as follows:

Residential Meter Test Fee	\$75.00
Single-Phase Meter Test Fee	\$75.00
Three-Phase kWh and Demand Meter Test Fee	\$100.00

Following the completion of any requested test, the Cooperative shall promptly advise the Member of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

207.5 Delinquent Accounts Fee.

The Cooperative may assess a one-time penalty not to exceed five percent (5%) on each delinquent bill to any Member receiving service under any rate schedule.

207.6 Deferred Payment Plan or Budget Billing Late Payment Fee.

A Deferred Payment Plan may include a five percent (5%) penalty for late payment, but shall not include a finance charge. A Budget Billing Plan may include a five percent (5%) penalty for late payment.

207.7 Reproduction of Tariff Sheets.

Any person requesting a copy of all or any portion of the Tariffs for Electric Service of the Cooperative shall pay in advance the reasonable cost of reproduction (\$1.00 a sheet). Tariff is available at no cost on the VEC website.

207.8 Cancellation of Contract.

Any person, who cancels any agreement for the provision of Electric Service after acceptance by the Cooperative but before service is initiated, shall be charged and shall pay the actual costs incurred by the Cooperative.

207.9 Temporary Service.

A service charge of \$100.00 plus any applicable line extension costs as specified under Section 313. Line Extension Policy plus any costs specified under Section 313.6 Relocation or Temporary Placement of Cooperative Facilities shall be paid upon application for temporary service.

207.10 Tampering with Cooperative's Meters, Equipment or Other Property, and Unauthorized Use of Electric Service.

Cooperative meters, equipment or other property, whether on Member's premises or elsewhere, shall not be tampered with, relocated, adjusted, modified, interfered with, or operated by anyone other than authorized employees or agents of the Cooperative. Diversion of electric service shall be defined as tampering with meter, equipment or other property of the Cooperative, bypassing the same, or other instances of diversion, including but not limited to, physically disorienting the meter or other Cooperative equipment, attaching objects to the meter to divert or to bypass service, insertion of objects into the meter, and other electrical and mechanical means of tampering with, bypassing or otherwise modifying the Cooperative's equipment or property, or any other means diverting electrical service.

The Cooperative accepts no responsibility and assumes no liability, and the Member shall indemnify and hold harmless the Cooperative, for damage or injury to Member, Member's employees, agents or relatives, or any others which results from tampering, relocating, adjusting, modifying, interfering with, or operating any of the Cooperative's meters, equipment, or property.

In the event of unauthorized use or evidence of attempted unauthorized use of the Cooperative's electric service, whether by tampering with the Cooperative's meter or equipment or by any other means, electric service shall be discontinued immediately and without any notice by the Cooperative. The Member shall be required to pay all charges, including the following, before service is reconnected:

- A. A tampering charge of \$300.00 for the unauthorized reconnection or other tampering with Cooperative's meters, equipment, or other property and a \$500 second offense charge.
- B. The cost of repair and/or replacement of any and all damaged meters, equipment or other property, and the cost of installing protective facilities or relocating the meter, equipment or other property.
- C. The charge for the estimated amount of electricity used without Cooperative authorization. This charge shall be based on amounts used under similar conditions during preceding years, or may be estimated on the basis of usage trends of similar Members and under similar conditions.
- D. A trip fee for each trip made by Cooperative personnel to investigate, evaluate, and correct the tampering or diversion.
- E. All other costs associated with the investigation, evaluation, and correction of meter tampering or diversion, including, but not limited to, personnel time, travel expenses, engineering expenses and legal expenses.

207.11 Advanced Metering Infrastructure (AMI) Opt Out.

Cooperative Members may elect to opt out of the AMI program by executing an acknowledgment form. Any Member requesting to opt out acknowledges:

- A. The existing meter will be replaced with a digital non-communicating meter.
- B. VEC will require access to the meter monthly.
- C. A fee of \$50.00 will be charged monthly for labor and expenses associated with reading the Member's meter and billing.
- D. VEC will not charge for the initial meter installation; however, if at any time a Member decides to switch to an AMI meter or change from an AMI meter to a non-communicating digital AMI meter then a onetime fee of \$170 per meter for changing out residential meters or \$200 per meter for changing out commercial meters will be assessed.

207.12 Connection, Disconnection.

- A. The Cooperative shall charge a \$75.00 fee for the labor and equipment necessary to connect/disconnect service to Member during normal working hours if the meter at the service location is not equipped with a remote disconnect/connect switch. The \$75.00 disconnect fee will only apply to accounts that have been connected three years or less. If connection/disconnection is made outside the normal working hours of the Cooperative, the Cooperative shall charge an additional fee of \$75.00 for overtime work.
- B. The Cooperative shall charge a \$25.00 fee for the labor and equipment to connect/disconnect service to Member during normal working hours if the meter at the service location is equipped with a remote disconnect/connect switch. The \$25 disconnect fee will only apply to accounts that have been connected for three (3) years or less. If connection is made outside of normal working hours of the Cooperative, the Cooperative shall charge an additional \$75.

208. Miscellaneous Customer Billings.

Work performed at the request and for the convenience of the Member may be billed on a Member job order at actual total cost.

209. Changes in Member's Electrical Load.

It is the responsibility of the Member to notify Cooperative when the Member's electrical load is to be changed substantially in order that Cooperative may ensure its facilities are adequate and that billing records are accurate.

If, in the judgment of the Cooperative, any changes in the Member's electrical load or service requirements necessitates additions to or modifications of the Cooperative's facilities, the Member shall pay, in advance, a nonrefundable contribution in aid of construction not to exceed the total cost of the new construction and/or modifications required.

The factors which the Cooperative may consider in determining the amount of the nonrefundable contribution include:

- A. The cost of the additions and/or modifications to the Cooperative's facilities;
- B. The future beneficial use of these facilities, including the reasonable possibility of serving additional new Members from the proposed facilities;
- C. The anticipated additional revenue from the Member receiving the additional facilities; and
- D. The expected longevity of the Member's increased load requirements.

210. Retail Electric Service Switchover Fee.

A request to switch service to a consuming facility to another utility that has the right to serve the facility shall be handled pursuant to Public Utility Commission of Texas Substantive Rule §25.27. The fee consists of a base charge of \$250, and if applicable, a base charge adder of \$50.00 and a facilities recovery charge. The base charge adder shall be charged when the switching Member switches more than one consuming facility on the premises at the same time.

211. Change of Records Fee.

The Cooperative shall charge a fee of \$20.00 on each occasion it is necessary to change its records, including but not limited to change of address, change of name, change or addition of location.

212. Working in the Vicinity of the Cooperative's Lines or Moving Equipment and/or Houses in the Area of the Cooperative's Line.

All persons are required by State Law to notify the Cooperative if they need to perform any construction and/or work within the vicinity of the Cooperative's lines, or if they need to operate or move equipment within the vicinity of the Cooperative's lines. No one should attempt to erect television or radio antennas, irrigation systems, water or oil wells, or perform other similar activities near the Cooperative's electric lines. When a house, structure or large piece of equipment needs to be moved along roads, highways, or lands which are crossed by the Cooperative's electric lines, the person or persons responsible shall provide advance notice to the Cooperative of the proposed route and establish an acceptable schedule with Cooperative personnel.

In some instances, the Cooperative can de-energize its lines for a limited period of time to accommodate this type of activity, and the Cooperative may charge for the total labor plus overhead for the assistance provided by Cooperative personnel. If a relocation of facilities or the installation of protective devices and equipment is required, the Cooperative may assess a fee to cover its expenses, including labor, overhead, the cost to install and remove any equipment and/or materials, and the cost of relocation of the Cooperative's facilities. Only the authorized employees of the Cooperative may remove, relocate, alter, modify, connect, disconnect, or raise any of the Cooperative's facilities for any reason, including accommodating house or equipment moving or any type of construction activity.

301. Conditions of Service.

It shall be the policy of the Cooperative to supply electric service under the Cooperative's applicable rate schedules to the class of service supplied, to all applicants therefore who require electric service at locations within the Cooperative's service area provided the following conditions are met:

301.1 Application for Electric Service.

Any person desiring to receive electric service from the Cooperative shall apply for such service by properly completing, signing, and submitting an application for electric service. A separate application for electric service is required for each location where electric service is desired and is required whether the request pertains to a renewal of service or the initiation of new service.

The application for electric service must be in the correct name of the individual requesting electric service. The Cooperative may require suitable identification.

301.2 Easement.

The applicant shall furnish to the Cooperative, if required, an easement acceptable to the Cooperative and at no cost to the Cooperative granting the right to construct, operate, and maintain any facilities which the Cooperative may be required to construct or install on the property of the applicant in order to furnish the required electric service, along with the right to replace, maintain, rebuild, or remove said facilities and right-of-ways and the right to service others from these facilities. The Cooperative may require the applicant to submit a legally notarized Easement document.

The applicant shall be responsible for all costs associated with filing any easements required by the Cooperative. All easement related costs shall be added to the applicant's total construction cost and must be paid prior to the commencement of construction.

The applicant shall allow Cooperative personnel to have free access to the applicant's premises at all reasonable hours. Failure to provide reasonable access may result in the immediate disconnection of power.

301.3 Membership in the Cooperative.

Applicant shall properly complete, sign, and submit an application for membership to the Cooperative. The applicant shall also pay the required membership fee.

301.4 Contracts.

Applicant shall execute all contracts which, under the Cooperative's Rules and Regulations and/or Rate Schedules, are required in connection with furnishing type of service for which application is being made.

301.5 Fees and Deposits.

Applicant shall pay to the Cooperative prior to receiving service all membership fees, deposits, connection costs, line extension costs, and any other amounts required by the Rules and Regulations of the Cooperative.

301.6 Applicability.

Service to the Member is governed by the Rules, Regulations, and Rate Schedules of the Cooperative which are incorporated herein by reference.

301.7 Location of Underground Facilities.

The applicant will locate and reasonably mark all underground facilities and/or structures within the Cooperative's dedicated easement. The applicant will locate, identify, and expose any sub grade utilities and/or structures the Cooperative may encounter during any construction and/or maintenance. The applicant agrees to indemnify and hold harmless the Cooperative for any unidentified underground facilities damaged during construction. The applicant must agree to sign a hold harmless agreement.

301.8 Deed of Land.

The applicant shall furnish to the Cooperative, if requested, the Deed of the Land verifying the applicant is the property owner and/or the one requesting a new service installation requiring construction.

302. Response to Request for Service.

The Cooperative shall serve each applicant for service within its certificated area as promptly as is practical after the applicant has complied with the provisions of Section 301. Applications for new service not involving line extensions or new facilities should be completed within seven (7) working days. Applications for service requiring line extensions should be completed within ninety (90) days, unless unavailability of materials, inclement weather, acquisition of right-of-way, or other circumstances beyond Cooperative's reasonable control causes unavoidable delays.

Any construction cost options offered by the Cooperative, including the potential sharing of construction costs between the Cooperative and the applicant, or the sharing of costs between applicants and/or Members, shall be explained to the applicant following assessment of the work necessary to extend service.

303. Refusal of Service.

The Cooperative may decline to serve an applicant if any one of the following conditions exists:

303.1 Failure to Fulfill Conditions of Service.

If applicant has failed or refused within a reasonable period of time to fulfill the conditions precedent to electric service contained in Section 301, or

303.2 Indebtedness.

If applicant has failed or refused to pay any indebtedness to any utility having previously provided applicant with electric service, or

303.3 Credit.

Applicant has failed or refused to satisfactorily establish credit in accordance with the provisions of Section 305, or

303.4 Membership.

Applicant has failed to qualify for membership or refused to pay the membership fee in accordance with the Cooperative's Rules and Regulations, or

303.5 Hazardous Conditions.

If applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given, or

303.6 Failure to Comply with Governmental Regulations.

If applicant fails to comply with federal, state, or municipal regulations governing electric service.

304. Insufficient Cause for Refusal of Service.

The following shall not be considered sufficient cause for refusal of service to an applicant or Member:

- A. Delinquency in payment for service by a previous occupant of the premises to be served;
- B. Failure to pay for merchandise, or charges for non-utility service purchased from the Cooperative;
- C. Failure to pay a bill to correct previous under billing due to misapplication of rates more than six months prior to the date of application;
- D. Violation of the Cooperative's rules pertaining to operation of nonstandard equipment or unauthorized attachments which interfere with the service of others, or other service such as communication services, unless the Member has first been notified and been afforded reasonable opportunity to comply with said rules;
- E. Failure to pay a bill of another Member as guarantor thereof, unless the guarantee was made in writing to the Cooperative as a condition precedent to service; and
- F. Failure to pay the bill of another Member at the same address except where the change of Member identity is made to avoid or evade payment of the electric bill.

305. Establishment of Credit.

The Cooperative may require applicant, regardless of the type of service applied for, to demonstrate and satisfactorily establish credit in such form and manner as may be prescribed by the Cooperative. The satisfactory establishment of credit shall not relieve the Member from complying with the Cooperative's Rules and Regulations for prompt payment of bills. The following rules shall apply to the establishment of credit. The credit worthiness of spouses established during shared service in the 12-months prior to their divorce will be equally applied to both spouses for 12-months immediately after their divorce.

305.1 Establishment of Credit for Permanent Residential Applicants.

An applicant for permanent residential service may satisfactorily establish credit and shall not be required to pay a deposit:

- A. Payment History.
If it is undisputed that applicant has been a customer of a utility providing electric service within the last two (2) years and is not delinquent in the payment of any such utility service account and during the last twelve (12) consecutive months of service did not have more than one (1) occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; or
- B. Guarantee.
The applicant for permanent residential service furnishes in writing a satisfactory guarantee to secure the payment of bills for electric service when the Member has paid bills for service for twelve (12) consecutive residential billings without having service disconnected for nonpayment of bills and without having more than two (2) occasions in which a bill was delinquent.
- C. Senior Citizens.
If the applicant for permanent residential service is sixty-five (65) years of age or older and does not have an outstanding account balance with the Cooperative or another utility providing electric service which accrued within the last two (2) years;
- D. Other Means.
If the permanent residential applicant demonstrates a satisfactory credit rating by appropriate means, including any of the following:
 - (1) Letters of credit reference;
 - (2) The names of credit references which may be quickly and inexpensively contacted by the cooperative such as On-line Utility Exchange.

305.2 Establishment of Credit for Permanent Commercial or Industrial Applicants.

An applicant for permanent commercial or industrial service may satisfactorily establish credit and shall not be required to pay a deposit:

- A. Payment History.
If it is undisputed that applicant has been a customer of a utility providing electric service within the last two (2) years and is not delinquent in the payment of any such utility service account and during the last twenty-four (24) consecutive months of service did not have more than one (1) occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; or
- B. Guarantee.
The applicant for permanent commercial or industrial service furnishes in writing a satisfactory guarantee to secure the payment of bills for electric service when the Member has paid bills for service for twelve (12) consecutive commercial or industrial billings without having service more than two (2) occasions in which a bill was delinquent.
- C. Other Means.
If the permanent commercial or industrial service demonstrates a satisfactory credit rating by:
 - (1) The names of credit references which may be quickly and inexpensively contacted by the cooperative such as On-line Utility Exchange.

305.3 Establishment of Credit for Non-Residential, Seasonal and Non-Permanent Residential Applicants.

An applicant for non-residential, seasonal, or non-permanent residential service shall be required to pay a deposit unless credit satisfactory to the Cooperative can be established.

305.4 Reestablishment of Credit.

Every applicant who previously has been a Member of the Cooperative and whose service has been disconnected for non-payment of bills, meter tampering, or bypassing a meter shall be required, before service is rendered, to pay all amounts due the Cooperative or execute a Deferred Payment Plan, if offered, and re-establish credit as required under Section 305.1, 305.2 and 305.3.

306. Deposits.

306.1 Amount of Deposit for Residential, Commercial, and Industrial Service.

The required deposit for residential or commercial or industrial service shall not exceed an amount equivalent to twice the largest monthly bill within the last twelve months. If a deposit is required, the Cooperative shall provide written information containing the Cooperative's rules describing the circumstances under which the Cooperative may require a deposit, how the deposit is calculated, the amount of interest paid on the deposit and how it is calculated, and the time frame and requirements for the return of the deposit to the Member. If actual billings of a commercial Member are at least twice the amount of the estimated billings, and a suspension notice has been issued on a bill within the previous 12-month period, a new deposit may be required to be made within 15 (fifteen) days after issuance of written notice of termination and requested additional deposit. If actual billings of a residential Member are at least twice the amount of the estimated billings after two billing periods, and a suspension notice has been issued on a bill within the previous 12-month period, a new deposit may be required to be made within 15 (fifteen) days after issuance of a written notice of termination and requested additional deposit. In lieu of the additional deposit, the Member may elect to pay the current bill by the due date of the bill, provided the Member has not exercised this option in the previous 12 (twelve) months.

306.2 Amount of Deposit for Temporary or Seasonal Service and for Weekend Residences.

The Cooperative may require an applicant for temporary service or seasonal service or service to weekend or intermittent use installations to pay a deposit sufficient to reasonably protect the Cooperative against the assumed risk for any such services. If a deposit is required, the Cooperative shall provide written information containing the Cooperative's rules describing the circumstances under which the Cooperative may require a deposit, how the deposit is calculated, the amount of interest paid on the deposit and how it is calculated, and the time frame and requirements for the return of the deposit to the Member.

306.3 Refund of Deposit After Disconnection of Service.

After disconnection of service, and if service is not reconnected, the Cooperative shall refund the Member's deposit plus any accrued interest in excess of any unpaid bills for service furnished.

306.4 Amount of Deposit after Disconnection for Nonpayment.

If a Member's service is disconnected for nonpayment of a bill, the Cooperative shall require a new deposit, prior to reconnection of service, such that the Member's deposit is approximately equal to, but does not exceed, twice the largest monthly bill within the last twelve months. The Cooperative shall provide written information containing the Cooperative's rules describing the circumstances under which the Cooperative may require a deposit, how it is calculated, the amount of interest paid and how calculated, and the time frame and requirements for the return of the deposit to the Member.

306.5 Amount of Deposit after Delinquencies.

The Cooperative may require a new deposit not to exceed the deposit amount specified in Section 306.1 or Section 306.2, if a Member has more than one (1) occasion during the last twelve (12) consecutive months of service in which the Member's bill for electric service was paid after becoming delinquent. The deposit will be required to be paid within ten (10) days after the issuance of written termination notice and requested deposit. If a deposit is required, the Cooperative shall provide written information containing the Cooperative's rules describing the circumstances under which the Cooperative may require a deposit, how the deposit is calculated, the amount of interest paid on the deposit and how it is calculated, and the time frame and requirements for the return of the deposit to the Member. The utility may disconnect service if the additional deposit or current usage payment is not received within 10 (ten) days of the request provided a written notice has been issued to the Member. Such disconnect notice may be issued concurrently with the written request for the additional deposit or current usage payment.

306.6 Refund of Deposit during Service Period for Residential Members.

The Cooperative shall promptly and automatically refund the deposit plus accrued interest to residential Members in the form of credit to a Member's account, or, if a guarantee was provided in lieu of a deposit, the guarantee shall be automatically voided by the Cooperative, when the Member has paid bills for service for twelve (12) consecutive billings, and

- A. Has not had service disconnected for nonpayment of a bill, and
- B. Has not had any occasions during the twelve (12) consecutive months in which the bill was delinquent, and
- C. If the Member is not delinquent in the payment of the current bill.

The deposit and accrued interest shall be retained for any Member which does not comply with the refund criteria.

306.7 Refund of Deposit during Service Period for Non-Residential Members.

The Cooperative shall promptly and automatically refund the deposit plus accrued interest to non-residential Members in the form of credit to a Member's account, or, if a guarantee was provided in lieu of a deposit, the guarantee shall be automatically voided by the Cooperative, when the Member has paid bills for service for twenty-four (24) consecutive billings, and

- A. Has not had service disconnected for nonpayment, and
- B. Has not had any occasions during the twenty-four (24) consecutive months in which the bill was delinquent, and
- C. When the Member is not delinquent in the payment of the current bill.

The deposit and accrued interest shall be retained for any Member which does not comply with the refund criteria.

306.8 Refund of Deposit for Temporary, Seasonal, and Non-Permanent Residential Service.

The Cooperative shall refund the deposit plus accrued interest in excess of any unpaid bills upon termination of service to temporary, seasonal and non-permanent residential Members.

306.9 Interest on Deposits.

If a Member has been required to make a deposit, the Cooperative shall pay interest on such deposit. The rates of interest to be paid on the Member deposits shall be established annually by the Board of Directors, and shall be applicable for each month during the subsequent calendar year.

No interest payments shall be made if a deposit is refunded to an applicant or Member within 30 days of the receipt of deposit.

If the deposit is held more than 30 days, then the deposit shall begin drawing interest on the date the deposit was received by the Cooperative and shall cease to draw interest on the date the deposit is returned or credited to the Member's account.

The Cooperative shall only pay the accrued interest annually, if requested by the member.

306.10 Records of Deposits.

The Cooperative shall keep records to show:

- A. The name and address of each depositor.
- B. The amount and date of the deposit.
- C. Each transaction concerning the deposit.

The Cooperative shall issue a receipt of deposit to each applicant from whom a deposit is received and shall provide means whereby a depositor may establish claim if the receipt is lost.

A record of each unclaimed deposit shall be maintained for at least three (3) years during which time the Cooperative shall make a reasonable effort to return the deposit.

307. Discontinuance of Service.

307.1 Discontinuance of Service at Member's Request.

Any Member desiring to discontinue electric utility service from the Cooperative shall give reasonable notice identifying the Member, the service location where discontinuance is desired, and the date service is requested to be discontinued. Such request shall be made with the appropriate Cooperative employee at any office of the Cooperative.

Following receipt of Member's request for discontinuance of service the Cooperative shall disconnect service. The Cooperative shall attempt to make the disconnection on the date requested by the Member, but the Cooperative shall not be obligated to make disconnection earlier than the second full business day following receipt of Member's request.

307.2 Cooperative Initiated Discontinuance after Proper Notice.

The Cooperative may discontinue service to a Member after proper notice under any of the following circumstances:

A. Non-Payment of a Bill.

If the Member fails or refuses to pay a delinquent account or enter into a deferred payment agreement within twenty-six (26) days from the issuance of a bill for electric service (whether or not based upon estimated billing); or

B. Deferred Payment Plan or Level Payment Plan.

If the Member fails to perform any obligation under the terms of a Deferred Payment Plan Agreement or Level Payment Plan Agreement; or

C. Interference with Service.

If the Member violates any rule pertaining to the use of electric service in a manner which interferes with or is likely to cause interference with electric service to other Members, or if the Member operates nonstandard equipment, provided that the Cooperative has made a reasonable effort to notify the Member and provided there has been a reasonable opportunity to remedy the situation; or

D. Failure to Make Application for Service.

If the Member fails or refuses to make application for service in accordance with these rules in the Member's true name; or

E. Failure to Comply with Contract or Cooperative's Rules and Regulations.

If the Member fails or refuses to perform any obligation contained in Member's Electric Service Agreement, the Cooperative's Rules and Regulations, the rate under which the Member is receiving electric service, or any applicable easement; or

F. Refusal of Access.

If the Member fails or refuses to provide the Cooperative reasonable access to its facilities located on Member's premises; or

G. Comply with Law.

If the Member fails or refuses to comply with any applicable federal, state, municipal, or other law, ordinance, rule, or regulation; or

H. Back Billing.

If the Member fails or refuses to timely pay any billing authorized by these rules resulting from previous under billing, whether caused by meter inaccuracy or failure to register, misapplication of rates or otherwise; or

I. Default on Guaranty Agreement.

If the Member has signed a written Guaranty Agreement for another Member or applicant and fails or refuses to pay the amount due on the guaranteed account when requested to do so by the Cooperative.

307.3 Cooperative Initiated Discontinuance Without Notice.

The Cooperative may disconnect service immediately and without notice under the following circumstances:

A. Hazardous Condition.

When a hazardous condition exists in the Member's installation of equipment; or

B. Service is Connected or Reconnected Without Authority.

Where service is connected without authority by a person who has not made application for service or where service has been reconnected without authority following termination of service or if the Member is not in compliance with Section 407.7 Exclusive Service; or

C. Meter Tampering, Unauthorized Use of Energy.

If Cooperative's meter which serves the Member has been tampered with or bypassed; or Member uses or disposes of electric energy in a manner not authorized in these rules or the rate schedule under which the Member receives service; or there has been a theft of electric service.

D. Prohibited Uses.

The Member shall not use electric energy for any unlawful purpose or in such a manner that life or property may be endangered.

307.4 Prohibited Disconnections of Service.

The Cooperative shall not discontinue service to a Member for any of the following reasons:

- A. Delinquency in payment for utility service by a previous occupant of the premises; or
- B. Failure to pay for merchandise, or charges for non-utility service provided by the Cooperative; or
- C. Failure to pay for a different type or class of utility service unless the charges for such service are included on the same bill; or
- D. Failure to pay the account of another Member as guarantor thereof, unless the Cooperative has in writing the guarantee as a condition precedent to service; or
- E. Failure to pay charges arising from an under billing occurring due to any misapplication of rates more than twelve (12) months prior to the current billing; or
- F. Failure to pay charges arising from an under billing due to any faulty metering, unless the meter has been tampered with or bypassed, or unless such under-billing charges are due under Section 3.11; or
- G. Failure to pay an estimated bill other than a bill rendered under Section 311.

307.5 Proper Notice.

Proper notice shall be notice given by separate mailing to the Member, or hand delivered at the Member's installation or premises, at least ten (10) days prior to the earliest date of disconnection with the words "termination notice" or similar language prominently displayed on the notice. The earliest date of disconnection may not fall on a holiday or weekend but shall fall on the next work day after the tenth day.

307.6 Disconnection on Holidays or Weekends.

Unless a dangerous condition exists, the Cooperative shall not disconnect service on a day, or on a day immediately preceding a day, when personnel of the Cooperative are not available for the purpose of making collections and reconnecting service.

307.7 Postponements of Disconnection.

A. Medical.

The Cooperative will not discontinue service to a delinquent permanent residential Member residing in an individually metered dwelling unit when that Member establishes that discontinuance of service will result in some person residing at that residence becoming seriously ill or more seriously ill if service is disconnected.

Each time a Member seeks to avoid termination of service under this rule, the Member must have the attending physician call or contact the Cooperative within sixteen (16) days of issuance of the bill. A written statement must be received by the Cooperative from the physician within twenty-six (26) days of the issuance of the Cooperative's bill. The prohibition against discontinuance of service provided by this rule shall last sixty-three (63) days from the issuance of the Cooperative's bill or such lesser period as may be agreed upon by the Cooperative and the Member. The Member who makes such request shall enter into a Deferred Payment Plan.

B. Energy Assistance Grantees.

The Cooperative shall not terminate service to a delinquent permanent residential customer if the Member has been granted emergency assistance funds if:

- (1) The agency for the administration of these has notified the Cooperative, prior to the date of disconnection, of approval of an award sufficient to cover the bill; or
- (2) If an agency for administration of these funds has notified the Cooperative, prior to the date of disconnection of approval of an award sufficient to cover a portion of the bill, and the Member enters into an acceptable Deferred Payment Plan for the remainder of the bill.

307.8 Effect of Discontinuance of Service.

A. Member's Obligation.

Discontinuance of service shall not relieve Member from any obligation to the Cooperative or lessen or change any obligation in any manner.

B. Cooperative's Rights.

Discontinuance of service shall not reduce, diminish, or eliminate any legal right or remedy accruing to the Cooperative on or before the date of discontinuance, nor shall discontinuance operate as a waiver of any legal right or remedy.

Failure of Cooperative to discontinue electric service at any time after default or breach of these Service Regulations, the rate under which Member is receiving electric service, or the Electric Service Agreement, or to resort to any legal remedy or its exercise of any one or more of such remedies does not affect the Cooperative's right to resort thereafter to any one or more of such remedies for the same or any default or breach of Member.

C. Dismantling of Cooperative Facilities.

The Cooperative may, upon discontinuance of electric service to Member, dismantle and remove all lines, equipment, apparatus, or other facilities which the Cooperative may have installed to provide electric service to Member.

The Cooperative may, however, abandon in place in whole or in part its underground lines and equipment in lieu of removing such facilities. Abandoned facilities and their related right-of-way remain the property of the Cooperative unless specifically stated in writing by the Cooperative.

D. Liability for Discontinuance of Service.

The Cooperative shall not be liable for any damages of any kind or character resulting from discontinuance or disconnection made pursuant to these rules.

E. Refund of Membership Fee.

Within a reasonable time after discontinuance of service, the Cooperative shall make reasonable efforts to refund any balance remaining of applicant's Membership fee after applying the fee to any unpaid bills and if applicant is no longer required to maintain Membership.

308. Member Complaints and Disputed Bills.

Upon complaint to the Cooperative by a Member either at the Cooperative's offices, by letter, or by telephone, the Cooperative shall promptly make a suitable investigation and advise the complainant of the results thereof. In the event of a dispute between a Member and the Cooperative regarding any bill, the Member shall contact the Cooperative prior to termination and notify the Cooperative of the portion of the bill which is disputed and the basis for such dispute. Upon notification of the dispute and the Member's basis thereof, Cooperative will make such investigation as shall be required by the particular circumstances and report the results thereof to the Member.

Pending the completion of the determination of the dispute (but in no event more than sixty (60) days), the Member shall not be required to pay the disputed portion of the bill which exceeds the amount of the Member's average monthly usage at current rates for each month subject to the dispute. Where no or insufficient previous usage history exists, consumption for calculating average monthly usage shall be estimated on the basis of usage levels of similar Members under similar circumstances.

309. Pre-paid Payment Plans

309.1 Availability of Pre-paid Payment Plan

This plan allows Members to deduct the costs for electric service from a credit on the account placed in advance of usage. Members enrolled in this option agree to an automatic service disconnection when their account reaches a zero (0) debit balance or more.

This plan is available to Members enrolled in a residential service rate with a remote connect/disconnect enabled meter. This payment option may not be combined with a Deferred Payment Plan, Budget Billing Plan or any other Payment Plan. Members enrolled Distributive Generation (wind/solar) are ineligible for this payment option. Additionally, Members with three-phase service, participating in the Advanced Metering Opt-Out Program, on the Critical Care listing, or in the Critical Load Program, are ineligible for enrollment.

Members with an outstanding account balance must bring their balance to zero (0) or agree to an arrangement for payment of the outstanding balance prior to enrollment. If the Member enters into an arrangement for payment, VEC will apply fifty percent (50%) of every payment to the outstanding balance and fifty percent (50%) to the pre-paid account balance until the Member pays the outstanding balance in full. Once enrolled, Members may not enter into a subsequent arrangement for payment of an outstanding account balance.

309.2 Requirements of Pre-paid Payment Plan

To qualify for this option, Members must:

- (1) Have a valid email account or phone number to receive notifications;
- (2) Consent to receive notifications regarding this payment option, including electronic mail or messages, phone messages or texts, at any electronic mail address or phone number provided to the Cooperative;
- (3) Agree to update contact information upon any changes to such information; and
- (4) Have a remote connect/disconnect enabled meters installed at the service location.

309.3 Plan Details

- A. Member Agreement – Upon enrollment, Member agrees to all terms and conditions of this option.
- B. Initial Balance – A minimum credit balance of fifty dollars (\$50.00) will be required upon enrollment in this option. Existing Members may apply deposit funds towards the minimum credit balance.
- C. Deposits – Members enrolling in this option with credit worthiness are not required to post an account deposit. The Cooperative shall apply any portion of a Member's existing deposit to satisfy the minimum credit balance requirement under Section 309.3(B) and to pay any outstanding amount owed by the Member.
- D. Notices – The Cooperative provides Members with Member-controlled and system generated notices regarding their pre-paid account balance and electric service connection status. Members may elect to receive notices via phone call, email, or text message. The Cooperative provides a system generated low balance notice when the account balance becomes less than twenty-five dollars (\$25.00). Members are responsible for setting up their own Member-controlled notices via the Cooperative's online account management system.
- E. Disconnections – Disconnections take place when the Cooperative sends the depleted balance notice, which is the last notice provided. If service is disconnected to a Member participating in the Pre-paid Payment Plan more than twice during any twelve (12) month period, the Member will be removed from the Plan. Future eligibility to participate will depend on the Member demonstrating satisfactory credit history, evidenced by zero (0) service disconnections during any subsequent twelve (12) month period.

- F. Rates and Fees – Membership and establishment fees apply to Members enrolled in this option. Members on this option will be subject to same day service fees or reconnection fees. Rates apply as per Section 203, Rate Schedules, with the exceptions listed below.
- (1) The Member Charge will be converted to a daily rate; and
 - (2) Member Charges will continue to accrue daily on connected meter, even if energy consumption does not occur.
- G. Reconnection – Once the required payment posts to the account, reconnection takes place. The payment must cover:
- 1. All balances owed for services provided;
 - 2. Amounts agreed upon in Payment Plan if applicable; and
 - 3. The required minimum credit balance of fifty dollars (\$50.00). Pre-paid accounts may not enter into an outstanding balance Payment Plan to achieve reconnection. All acceptable forms of payment, cash, credit/debit card, that cover the amounts listed above will result in reconnection. Forms of payment not accepted for reconnection include checks, e-check or bank draft.
- If a Member terminates service or the account disconnects for nonpayment and remains disconnected for three (3) Business Days, the Cooperative will settle and final bill the account.
- H. Cancellation – A Member may choose to convert the account to another payment option at any time. The Member or the Cooperative may cancel enrollment on this option upon notification to the other party. Upon cancellation, the accumulated balance of the Member's account will become due and payable.

310. Deferred Payment Plan.

310.1 Availability of Deferred Payment Plan.

The Cooperative may offer, upon request, a Deferred Payment Plan to any Member who has expressed an inability to pay that Member's entire bill, if that Member has not been issued more than two (2) termination notices at any time during the preceding twelve (12) months. The Cooperative is not required to enter into a deferred payment agreement with any Member who is lacking sufficient credit or a satisfactory history of payment for previous service when the Member has had service from the present Cooperative for not more than three (3) months. In cases of meter tampering, bypass, or diversion the Cooperative is not required to offer a Deferred Payment Plan.

Arrangements for a Deferred Payment Plan may be made by visiting the Cooperative's business office or by contacting the Cooperative by telephone. However, the Deferred Payment Plan is not valid until signed by the Member and returned to the Cooperative. If the Member made arrangements for a Deferred Payment Plan over the phone, the Cooperative may mail the Deferred Payment Plan to the Member for the Member to sign and return.

The Cooperative will provide a copy of the Deferred Payment Plan to the Member after the plan has been signed by the Member and the Cooperative.

- A. When engaged in a Deferred Payment Plan, the Member shall not be disconnected if the Member pays current bills and a reasonable amount of the outstanding bill, and agrees to pay the balance in reasonable installments until the bill is paid in full. A payment of not more than one-third of the total deferred amount may be required as a reasonable amount under this paragraph.
- B. A Deferred Payment Plan may include a five percent (5%) penalty for late payment; but shall not include a finance charge.

310.2 Disconnection.

Every Deferred Payment Plan entered into as a result of Member's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the Member pays current bills and a reasonable amount of the outstanding bill, and agrees to pay the balance in reasonable installments until the bill is paid.

If a Member has not fulfilled terms of a Deferred Payment Plan, the Cooperative shall have the right to disconnect service pursuant to the Cooperative's disconnection rules.

310.3 Penalty.

The Deferred Payment Plan shall include five percent (5%) penalty for late payment, but shall not include a finance charge.

311 Budget Billing Plan.

311.1 Availability of the Budget Billing Plan.

The Cooperative shall offer upon request a Budget Billing Plan (BBP) to any permanent Residential Member if the Member:

- A. Has been a permanent Residential Member of the Cooperative for at least twelve (12) months, and
- B. Has at least a twelve (12) month current billing history at the same location and under the same account number, and
- C. Has not been delinquent in the payment of a bill more than twice during the preceding twelve (12) months, and
- D. Has a current account balance with no balance past due, and
- E. Has not been disconnected for non-payment of services or for any Cooperative initiated discontinuance according to Section 307.2 or 307.3 of the Tariff, and
- F. Signs a Budget Billing Plan Agreement with the Cooperative.

311.2 Administration.

A. Computation of Initial Budget Billing.

The monthly Budget Billing amount shall be the average of the immediate past twelve (12) months' billings.

B. Annual Review of Budget Billing.

The Member's account will be reviewed and adjusted, if necessary, on the anniversary month of their participation in the Budget Billing Plan (BBP). The Budget Billing Plan amount may be adjusted annually for an energy consumption growth factor. Any surplus or deficit will be adjusted into the following years BBP calculation.

If the Cooperative recalculates the Budget Billing Plan amount due for the Member, the Cooperative shall promptly notify the Member of the new amount of the monthly Budget Billing due.

C. Termination of Budget Billing Plan.

Upon termination of the Budget Billing Plan for any reason, the Cooperative shall compute the sum of the monthly payments which the Member would have paid if Member had not been eligible for the Budget Billing Plan, and compare this amount to the sum of the Budget Billing which the Member has actually made. If the sum of the Budget Billing payments made is greater than the sum of the payments which the Member should have paid if Member were not paying Budget Billing, then the Cooperative shall credit this amount to the Member's next bill or final bill, as applicable. If the sum of the level payments made is less than the sum of the payments which the Member should have paid if Member were not paying level payments, then the Cooperative shall add this amount to the Member's next bill or final bill, as applicable.

311.3 Member Responsibilities.

The Member shall pay the Budget Billing amount each month. If the Budget Billing amount is not paid on or before the due date, then the Member shall also pay a five percent (5%) delinquent payment fee specified under Section 207.5.

The Member, if applicable, will be subject to all tariffs, rules, fees, regulations, and service charges as defined in the Tariffs for Electric Service.

311.4 Discontinuance.

The Budget Billing Plan shall remain in effect until:

- A. The Member terminates the Budget Billing Plan in writing, or electronic communication (email); or
- B. The Member fails to comply with the Cooperative's rules and regulations; or
- C. The Member is disconnected for any reason; or
- D. If the Member becomes delinquent in the payment of the Member's bill on more than one (1) occasion during any consequent twelve (12) month period.

Should either the Cooperative or the Member discontinue the Budget Billing Plan, the Member is responsible for any balance owed the Cooperative and associated reasonable costs of collection, if any.

312. Procedures When Over Billing or Under Billing Occurs.

If amounts billed for utility service are found to differ from actual consumption or from the Cooperative's rates, or if the Cooperative fails to bill the Member for such service, a billing adjustment shall be calculated by the Cooperative.

312.1 Over Billing.

If the Member is due a refund, an adjustment shall be made for a period of not more than twelve (12) billing cycles prior to the date the Cooperative discovered the over billings or received notification from the Member of a potential over billing condition.

312.2 Under Billing.

If the Member was under billed, the Cooperative may back bill the Member for the amount which was under billed. The back billing is not to exceed twelve (12) months unless the Cooperative can produce records to identify and justify the additional amount of back billing, or unless such under billing is a result of fictitious meter reading, meter tampering, bypass, or diversion by the Member.

The Cooperative may not disconnect service if the Member fails to pay charges arising from an under billing more than twelve (12) months prior to the date the Cooperative initially notified the Member of the amount of the under billing and the total additional amount due unless such undercharge is a result of fictitious meter reading, meter tampering, bypassing, or diversion by the Member.

If the under billing is \$50.00 or more, the Cooperative shall offer the Member a Deferred Payment Plan option for the same length of time as that of the under billing. Interest shall not apply to undercharged amounts unless such amounts are found to be the result of fictitious meter reading, meter tampering, bypass, or diversion by the Member. Interest on under billed amounts shall accrue at the same rate as specified in Section 306.9 from the approximate date of the first under billing as a result of fictitious meter reading, meter tampering, bypassing or diversion by the Member.

313. Billing and Terms of Payment.

Bills for service shall be rendered promptly unless otherwise specified. The terms "month" or "monthly" for billing purposes shall mean the period between any two consecutive readings of the meter by the Cooperative or the Member. Such readings should be taken as nearly as practicable every thirty (30) days.

Monthly bills are due within sixteen (16) days after the date of issuance as shown on the bill, unless otherwise stated in a contract for service, and are payable at the Cooperative's business office located at 5502 US HWY 59 N, P.O. Box 2178, Victoria, Texas 77902-2178. If the due date falls on a holiday or weekend, the due date for payment purposes shall be the next business day after the due date.

A Member's electric service may be disconnected if the bill has not been paid or a deferred payment agreement entered into within twenty-six (26) days from the date of issuance.

314. Line Extension Policy.

314.1 General Policy.

The Cooperative shall extend its distribution facilities to applicants in accordance with the following line extension provisions. Each of the provisions classifies the predominate type of electric service/use anticipated on applicant's premises, and specifies conditions under which the Cooperative will extend its facilities to applicant's premises. It is the Cooperative's intent that this line extension policy complies with the Rural Utility Service's concept of area coverage.

314.2 Allowable Investment per Member.

The Allowable Investment per Member is an analysis performed as part of the cost-of-service study used to evaluate rate changes or existing rate structures. This figure shall serve as the allowable investment to be used in determining line extensions allowances.

314.3 Total Cost.

The total estimated cost shall be defined as the sum of all costs of all material, equipment, payroll and payroll related expenses, overhead, engineering, easements, rights of way, contractor's fees and charges, and right-of-way clearing necessary to construct, install and/or modify the Cooperative's facilities required to service the applicant, except that the total cost shall not include the cost of transformers and meters.

314.4 General Requirements.

The following requirements are applicable to each line extension regardless of the applicant/Member's classification:

A. Conditions of Service, Section 301.

Applicant shall comply with all provisions contained under this section.

B. Ownership of Distribution Facilities.

The Cooperative shall retain ownership of all material and facilities installed by the Cooperative for the extension of service to the applicant/Member. The payment of any nonrefundable contributions in aid of construction, deposits, or any other fees and/or charges shall not be deemed to authorize, grant, give, or vest any ownership rights to the Member as a result of the aforementioned payments.

C. Engineering Deposit Fees.

Applicant shall be required to pay an engineering deposit for new service construction as follows:

(1) Pre-construction work and administration	\$90
(2) Technician fees	\$150
(3) Engineering review and trip fees	\$110
(4) Total fees	\$350

D. Engineering Deposit.

The engineering deposit will be handled as follows:

- (1) The engineering deposit shall be paid in advance, prior to any engineering work being performed. This engineering deposit includes only two options (revisions) before additional fees are applied (313.4, D (2)).
- (2) Each additional design modifications, to establish additional estimates required because of new or changed information from the Member, and beyond those provided by section 313.4, D (1) above, shall be billed at \$100 per hour.
- (3) Upon completion of the new construction project, only the original engineering deposit shall be credited toward any project requiring aid in construction, but should the deposit be greater than the aid in construction, any remaining deposit amount will be retained by the Cooperative.
- (4) If after completion of the engineering related work, the Member notifies the Cooperative that he/she does not elect to proceed with the project, the work order will be closed and the deposit will be retained by the Cooperative.
- (5) Construction cost estimates are only valid for 30 days and will need to be updated after such time to ensure current material and labor costs are applied. If, after 12 (twelve) months, the work order remains inactive, the work order will be voided and the deposit retained by the Cooperative.
- (6) If at any future time, the Member requests the project to be reinstated and the Cooperative determines at its sole discretion that it must revise and/or review its engineering plans, a second deposit will be required prior to any engineering work being performed. If the Cooperative determines at its sole discretion that its original engineering plans are sufficient, it may waive the requirement for a second deposit by the Member.

E. Contributions in Aid of Construction.

All contributions in aid of construction under this policy are nonrefundable, except for the potential partial refund available due to the extension of service to new Members as described herein.

F. Standard Construction and Voltages

This policy pertains only to the Cooperative's standard overhead distribution construction and voltages. Requests for non-standard facilities, underground facilities, or non-standard voltages will be performed only after approval by the Cooperative's General Manager.

313.5 Service Classifications.

The Cooperative shall classify each applicant's facilities and/or service requirements as permanent, indeterminate, temporary, yard lighting, or subdivision development in accordance with the following definitions.

Applicant's classification at each location where electric service is requested shall involve an evaluation of the type of installation, the anticipated use of electric energy and capacity, and the frequency and duration of anticipated energy consumption.

The applicant's classification shall be made by the Cooperative. If the classification assigned by the Cooperative is determined at a later date to be inappropriate based upon the Member's subsequent actual use of the installation receiving service and/or the frequency and duration of energy consumption, then the Cooperative may alter Member's classification and reassign Member to a more appropriate classification and make the appropriate adjustment to Member's account or billing to reflect this reassignment.

A. Permanent Classification.

The Cooperative will extend service to applicants under this classification if the applicant's facilities and/or anticipated usage and consumption of electrical energy and capacity comply with at least one of the following definitions:

(1) Permanent Residential Dwelling

A permanent residential dwelling shall consist of a multiple family building such as an apartment building, a single-family dwelling, completely constructed, and occupied on a full-time basis, or any manufactured home, mobile home, or prefabricated structure which is occupied on a full-time basis and:

- (a) which is constructed on or permanently affixed to a concrete slab or concrete piers (not blocks), and
- (b) which is impractical to move, having had the wheels, axles, hitches, and/or towing devices permanently removed, and
- (c) which is connected to a permanent water system and a permanent sewer system.

The Cooperative shall extend service to qualifying applicants under this classification, at no cost to the applicant, where the total cost of all new facilities and/or system improvements required to extend service to the applicant does not exceed the most recent Allowable Investment per Member. The applicant must be the property owner. Members are allowed only one (1) permanent dwelling.

Line extensions and/or system improvements which are required to extend service to applicants in this classification which exceed the Allowable Investment per Member shall be performed only if the applicant pays, in advance, a nonrefundable contribution in aid of construction for the total cost in excess of the Allowable Investment per Member. This non-refundable contribution in aid of construction shall be paid by the Member before the Cooperative initiates construction. The amount paid by the Member shall be based upon an estimate of the total costs in excess of the Allowable Investment per Member.

In the event additional applicants are connected to a line extension constructed as a result of a contribution in aid of construction within three (3) years from the date applicant paid the non-refundable contribution in aid of construction, then the Cooperative will refund a pro rata portion of the non-refundable contribution in aid of construction to the original applicant who paid the initial contribution in aid of construction after collecting it from the applicant who is requesting the line extension. This provision shall be limited to reimbursements for not more than two (2) additional line extensions.

B. Non-Permanent Classification.

Applicants under this classification include:

- (1) Facilities which do not meet the criteria for permanent residential dwellings,
- (2) Low consumption facilities, including but not limited to electric fences, barns, equipment shelters, stock tanks, stock wells, and other similar facilities.

The Cooperative shall extend service to applicants under this classification upon the execution of a four (4) year agreement with an increased monthly minimum.

If, in the Cooperative's opinion, the amount and permanency of use justifies reclassification from Indeterminate to Permanent, then the Cooperative shall refund, to the Member receiving service at the time the reclassification occurs, the Allowable Investment per Member in effect at the time of the original extension of service. This provision is applicable only if the reclassification occurs within two (2) years of the original extension of service.

In the event additional applicants are connected to a line extension constructed as a result of a contribution in aid of construction within three (3) years from the date applicant paid the nonrefundable contribution in aid of construction, then the Cooperative will refund a pro rata portion of the nonrefundable contribution in aid of construction to the original applicant who paid the initial contribution in aid of construction after collecting it from the applicant who is requesting the line extension. This provision shall be limited to reimbursements for not more than two (2) additional line extensions.

C. Temporary Classification.

The temporary classification includes service to applicants where the expected period of usage is twenty- four (24) months or less, such as service for construction power, rock crushers and quarry activities, construction storage facilities, recreational vehicles, travel trailers, temporary dwellings of any type, seasonal facilities such as vacation homes, hunting camps, baseball fields, and other types of recreational areas and other similar activities or facilities.

The Cooperative shall extend service to applicants under this classification only if the applicant pays, in advance, a nonrefundable contribution in aid of construction for the total cost of the new construction and/or system improvements less approximate salvage value of materials used plus retirement costs. The applicant shall also pay, in advance, the temporary service charge specified in Section 207.9.

If temporary service is extended to an applicant under this provision, and within two (2) years from the date of the initial extension the facilities at the location of the temporary service comply with the requirements for permanent classification then the Cooperative shall refund, to the applicant receiving permanent service, the Allowable Investment per Member in effect at the time of the original temporary extension of service, plus the retirement costs less the salvage value of materials which were originally charged or credited to and paid by the Member. The temporary service charge shall not be refunded.

D. Small Commercial, Large Commercial.

The Cooperative shall calculate the Allowable Investment per member on a case-by-case basis, using an analysis method following the Cooperative's most recent cost of service study. The Cooperative shall extend service to applicants under this classification only if the applicant pays, in advance, a non-refundable contribution in aid of construction for the total cost of the new construction and/or system improvements less any Allowable Investment with the execution of at least one (1) year standard rate service agreement with a minimum of at least one dollar (\$1.00) per kVA.

The contribution in aid of construction will include actual cost of labor and material plus removal cost investment. Removal cost investment will be based on current unit removal prices.

In the event additional applicants are connected to a line extension constructed as a result of a contribution in aid of construction within three (3) years from the date applicant paid the nonrefundable contribution in aid of construction, then the Cooperative will refund a pro rata portion of the nonrefundable contribution in aid of construction to the original applicant who paid the initial contribution in aid of construction after requesting it from the applicant who is requesting the line extension. This provision shall be limited to reimbursements for not more than two (2) additional line extensions.

E. Yard Lighting Classification.

The Yard Lighting Classification consists of service to individual lighting fixtures identified in Section 203.10 Yard Lighting Service of this tariff for electric service. Service will be provided to individual lighting facilities at permanent locations under the following conditions:

(1) Fixture location on existing pole.

If the installation of the fixture is on an existing Cooperative pole, then the Cooperative will provide, at cost, the lighting fixture, wiring and connections, photoelectric cell, and any additional modifications required to the existing pole.

(2) Fixture location on new pole.

If the Member requires or requests the installation of a fixture at a location where the Cooperative does not have an existing pole, then the Member shall pay a nonrefundable contribution in aid of construction which shall include the cost of all labor, material, and overhead required for the installation of the pole, and the extension of primary and/or secondary service from the Cooperative's existing facilities to the new pole.

F. Subdivision Development Classification.

The Subdivision Development Classification consists of the extension of service to new residential subdivision of at least four (4) or more platted lots. The Cooperative will perform new construction and/or system improvements in order to extend service to a residential subdivision under the following conditions:

- (1) The developer shall make written application to the Cooperative requesting the extension of service.
- (2) The developer shall provide to the Cooperative both a DFX and a PDF of an officially recorded master plat or site plans stamped by a professional engineer licensed in the State of Texas of the Subdivision showing all boundaries, lots dedicated streets and alleys, utility accesses, easements, covenants, restrictions, future development potential and any other pertinent information that may be required by the Cooperative. The Cooperative will only accept underground development plats that incorporate front lot pad-mount transformer placement and underground primary and secondary service.
- (3) The developer shall provide dedicated, platted, notarized and recorded right-of-way easements satisfactory to the Cooperative along streets and/or roads within the development.
- (4) For developer built homes, developer will provide VEC total electrical load analysis for each class of home to be built on the developing properties.
- (5) Pay \$500 engineering fee (non-refundable).
- (6) The Cooperative will review the approved plat and easements and determine best method for completing the engineering design and associated design cost. The Cooperative will submit the engineering design cost to the developer. Once the design cost is paid, the Cooperative, and/or contract engineering design firm, will begin the designing phase. The Cooperative shall determine the most reliable and economical arrangement of all electric distribution lines within the subdivision development.

A three-phase backbone line shall be constructed within any subdivision containing twenty (20) or more platted lots or as otherwise determined at the Cooperative's sole discretion.
- (7) The developer shall pay, in advance, a contribution in aid of construction for the total cost of all new construction and/or system improvements, excluding the direct cost to serve individual lots, required to extend service to and within the subdivision development.
- (8) Any modifications to the approved plat and easements resulting in the re-design of the electrical distribution, shall be the developer's responsibility. An estimate of the additional design hours necessary to accommodate the change will be applied to the final construction estimate.
- (9) The developer shall receive a refund of the original contribution in aid of construction for each permanent residential dwelling within the subdivision which requests and receives service from the Cooperative within five (5) years of the completion date of the facilities to serve the residential subdivision development.

The amount of the refund to be paid to the developer is determined as each permanent residential dwelling requests and receives electric service shall be an amount equal to the contribution in aid of construction paid by the developer divided by the number of lots in the development, unless the sum of this average cost per lot plus the additional total cost incurred in extending service to the individual permanent residential dwelling exceeds the greater of the Allowable Investment per Member.. In this instance, the developer shall receive a refund equal to the average cost per lot less the amount by which the total cost of extending service to the individual lot, as previously described, exceeds the Allowable Investment per Member.

The reimbursement shall not be applicable for extensions of service to any type of Member classification other than permanent residential dwellings, and shall not be applicable for extensions of service after five (5) years from the date of completion of the facilities to serve the residential subdivision development.

The developer shall not receive cumulative refunds which exceed the total contribution in aid of construction paid by the developer, nor shall the developer receive individual refunds which exceed the average cost per lot calculated by dividing the contribution in aid of construction paid by the developer by the number of lots in the development.

Failure by the developer to comply with any of the provisions of this section may result in the forfeiture of present and future refunds as defined in this section.

- (a.) No amount will be refunded after five (5) years of construction of line;
- (b.) All refund requests must be submitted within 60 days of the five (5) year construction completion date to be eligible for refund.
- (c.) Any refunds will be paid on lots submitted by developer and verified by the Cooperative.

314.6 Relocation or Temporary Placement of Cooperative Facilities.

When any person requests the relocation of existing Cooperative facilities or the temporary placement of new facilities, the requesting person shall pay to the Cooperative, in advance, the estimated total cost of the construction, removal and/or relocations of facilities. This payment is nonrefundable.

The cost for the placement of temporary meter loops or temporary service locations shall include the costs of all labor, travel costs, vehicle costs, non-salvageable material, and overhead associated with the installation and removal of the temporary meter loop or service location.

If the Cooperative determines that the relocation and/or modification of the Cooperative's facilities are beneficial to the Cooperative, the relocation or modification may be performed at a reduced cost to the Member.

If the relocation of Cooperative facilities is due to a road or highway widening and the relocation is requested by the appropriate governmental agency, then the governmental agency shall reimburse the total cost of the relocation to the Cooperative.

314.7 Underground Service.

The Cooperative provides underground facilities as requested by Members. In addition to complying with other provisions of the Cooperative's line extension policies, the Member might be required to pay, in advance, a non-refundable contribution in aid to construction.

314.8 Special Circumstances.

The Cooperative, upon approval of the board of directors, may waive a portion or all of the contribution in aid of construction required if, in the board's opinion, the waiver of the contribution is reasonable and necessary to attract the applicant to the Cooperative's service area, or if the anticipated annual revenue from the applicant justifies the Cooperative's investment, or if the construction required will facilitate service to other potential applicants or improve service to existing Members, or if service to the applicant will contribute to the economic development of the Cooperative's service area or will be beneficial to the Cooperative's membership.

Any extensions of service to an applicant involving circumstances not specifically described in this Line Extension Policy will require the approval of the General Manager.

401. Points of Delivery.

The Member shall designate the point of delivery where Member desires to receive electric energy and shall provide service entrance conductors and any material or equipment needed for the receipt of electric energy.

The point of delivery of electric energy is the point where the Member's service entrance conductors are connected to the Cooperative's conductors. Such point shall be outside of the Member's installation or structure(s) at a location which will facilitate connection in accordance with the National Electrical Safety Code, the National Electric Code, and standard operating practices of the Cooperative.

In special circumstances, the point of delivery may be located inside the Member's installation or structure if the Member makes a written request which is approved by the General Manager of the Cooperative.

The Member shall furnish and install all apparatus, including disconnects and breakers, and all electrical wiring on the Member's premises including the meter loop. The Member shall at all times ensure that the Member's premises, facilities, and equipment comply with the provisions of the National Electrical Code and the National Electrical Safety Code, as well as other applicable standards imposed by law or ordinance.

The Cooperative accepts no responsibility and assumes no liability for the adequacy of the Member's installation or for damage and/or injury as a result of inadequate apparatus or equipment, incorrect wiring, faulty material or workmanship, or any other deficiencies of defects in the wiring, and/or equipment on the Member's premises.

402. Meters and Meter Reading.

402.1 Location and Installation of Meter.

The Member shall provide, without cost to the Cooperative, at an easily accessible and suitable location acceptable to the Cooperative, a location for the Cooperative's meter.

The Member's meter shall be accessible to the Cooperative at all times. The meter loop shall be located on the outside of any building or structure and shall be moved to the outside, at the Member's expense, if its location is inside of such building or structure as the result of remodeling or structural additions.

402.2 Ownership of Meter.

The Cooperative shall provide, install, own and maintain all meters necessary for the measurement of electrical energy. Such meters shall be of a standard type which meets industry standards except that special meter not conforming to such standards may be used for non-billing purposes such as quality of service investigation and experimental uses.

402.3 Relocation of Meter.

When the Member requests a change of the location of the meter, or when alterations on the Member's premises necessitate a relocation of the meter, the Member shall provide and install at Member's expense all wiring and equipment necessary for the relocation of the meter.

If the relocation of the meter also requires a relocation of the Cooperative's facilities, then the Member shall pay to the Cooperative the total cost of the relocation as specified in Section 313.6.

403. Maintenance of Electrical Equipment on Member's Premises and Responsibility for Injuries and Damage Therefrom.

403.1 Member Responsibility.

Member shall install, operate, and maintain such protective devices, and implement such procedures and practices as may be reasonable or necessary to protect Member's property, equipment, processes, or activities during occurrences of abnormal service conditions, interruptions of service, voltage and wave form fluctuations or by causes reasonably beyond the control of the Cooperative. Member shall maintain such equipment in good operating condition, and otherwise install, operate and maintain Member's electrical equipment in an entirely safe and efficient manner and in full compliance with all laws and local ordinances, the National Electric Code, the National Electrical Safety Code, and the rules and regulations of the Cooperative in effect at any time. The Cooperative neither assumes nor accepts any duty or responsibility for the inspection of the Member's wiring, apparatus, machinery, equipment, or operations and shall not be responsible thereof, nor does the Cooperative accept any liability due to the initiation or continuation of service to Member.

The Member assumes full responsibility for electric current, and for the wires, apparatus, and appurtenances used in connection therewith, upon Member's premises and at the point of delivery of power (described in section 401)

if such point is located off Member premises, and will protect, indemnify, and hold Cooperative harmless from all claims for injury, including death, or damage to persons or property occurring upon Member's premises, or at and from such point of delivery, even if due to Cooperative's negligence, whether sole or joint and concurrent with the negligence of Member or third parties, occasioned by such electric current or said wires, apparatus, or appurtenances.

403.2 Continuity of Service.

The Cooperative shall use reasonable diligence to provide a satisfactory, constant, uninterrupted supply of electricity but does not guarantee or warrant that the supply will not fail or be interrupted or that the voltage and wave form of the supply will not fluctuate. Member is responsible for installing and maintaining such protective devices as may be necessary or reasonable to protect Member's equipment or processes during abnormal service provided by the Cooperative.

The Cooperative shall make reasonable efforts to re-establish service with minimum of delay when failures, interruptions, or voltage and wave form fluctuations occur. However, the Cooperative shall not be liable for, and Member shall indemnify Cooperative against, direct or consequential damages resulting from failures, interruptions, or voltage and wave form fluctuations occasioned by causes reasonably beyond the control of the Cooperative, including, but not limited to, weather, acts of God or public enemy, sabotage and/or vandalism, accidents, fire, explosion, labor troubles, strikes, order of any court or judge granted in any bona fide adverse legal proceedings or action, or any order of any commission, tribunal or governmental authority having jurisdiction or, without limitation by the preceding enumeration, any other act or thing due to causes beyond the Cooperative's reasonable control, or to the negligence of the Cooperative, its employees, or contractors, whether sole or joint and concurrent with the negligence of Member or third parties, except to the extent that the damages are occasioned by the gross negligence or willful misconduct of the Cooperative.

For claims resulting from failures, interruptions, or voltage or wave form fluctuations occasioned in whole or in part by gross negligence or willful misconduct of the Cooperative or its agents, the Cooperative shall be liable only for that portion of the damages arising from personal injury, death of persons, or costs of necessary repairs to or replacement of electrical equipment proximately caused by the grossly negligent acts of the Cooperative or its agents. The Cooperative shall not be liable in any event for consequential damage.

The Cooperative may, without notice and without liability to Member, interrupt service to Member when, in the Cooperative's sole judgment, such interruption:

- A. Will prevent or alleviate an emergency threatening to disrupt the operation of the Cooperative's system; or
- B. Will lessen or remove possible danger to life or property; or
- C. Will aid in the restoration of electric service; or
- D. Is required to make necessary repairs to or changes in the Cooperative's facilities.

Member may request, in writing, that Cooperative provide notice of intentional interruption of service by contact at an address and telephone number provided in such written request by Member and Cooperative will exercise reasonable diligence to give such notice but does not warrant that notice will be given in every case of intentional interruption.

404. Access and Right of Way.

Members shall admit to Member's premises at all reasonable hours personnel authorized by the Cooperative to inspect, install, remove, or replace Cooperative's property, to read Cooperative's meter, to trim or clear easement right-of-way, or to perform other activities necessary to restore power or otherwise assure continuity of electric service. Refusal on the part of the Member to provide reasonable access may be sufficient cause for discontinuance of service with notice.

The Member shall not charge fees of any type of access to Member's premises.

Any Member and/or property owner who has provided an easement to the Cooperative and who wishes to lock the gates or gaps providing access to the property shall allow the Cooperative to install the Cooperative's standard padlock on the gates or gaps to insure reasonable access to the Cooperative's facilities.

The Cooperative may reasonably apply herbicides, or use other chemical or mechanical means to trim or otherwise remove plants or trees, without liability to the owners of such plants or trees that, in the opinion of the Cooperative, constitute a hazard to Cooperative personnel or facilities or potentially jeopardizes the continuity of the Cooperative's electric service.

The Member shall use reasonable diligence to protect personnel authorized by the Cooperative or by law to have access to Member's premises, and Member shall not cause nor allow or continue any practice, installation, or occurrence which endangers the safety of Cooperative personnel or the Cooperative's agents.

405. Protection of Cooperative's Facilities on Member's Premises.

The Member shall use reasonable diligence to protect the Cooperative's facilities installed on Member's premises. In the event of loss of or damage to Cooperative's facilities on Member's premises caused by or arising out of carelessness, neglect, or misuse by Member or unauthorized persons, the Cooperative may require the Member to reimburse the Cooperative for the total cost to repair such damage.

406. Extension of Member's Facilities.

The Member shall not extend Member's installation or facilities across or under public thoroughfares, streets or alleys, or other lands not owned by Member, without the written consent of the Cooperative.

407. Member's Electrical Load.

407.1 Load Balance.

The Member shall control the use of electric energy so that Cooperative's electrical load at the point of delivery is in reasonable balance.

For Commercial and Industrial loads, a full load breakdown of equipment, starting kVA requirement, and phase distribution is required, from a Master Electrician or Engineering Firm, by the Cooperative in order to size power needs correctly.

407.2 Allowable Motor Starting Currents.

The following motors may be started across-the-line if the starting current (which is the locked rotor current of the motor at nameplate voltage) does not exceed the limits given:

<u>Nominal Nameplate Voltage</u>	<u>Phase</u>	<u>Maximum Locked Rotor Current*</u>
115-volts	Single	50 amperes
230-volts	Single	200 amperes
200, 230 or 460-volts	Three	200 amperes

Larger across-the-line starting currents than above may be permitted where the Cooperative determines its facilities are adequate and the frequency of starts are such that other Member's service will not be adversely affected. Any motor starting devices are to be of a type approved by the Cooperative and are to be provided and installed by Member.

* Groups of motors starting simultaneously are classed as one motor.

407.3 Motor Installations.

All motor installations shall be in accordance with the following schedule unless permission is provided by Cooperative, in writing.

A. Motors rated less than 10 HP shall be single phase unless three phase service was extended by the

Cooperative to the motor installation prior to September 30, 1992.

- B. Motors rated 10 HP or more shall be three- phase.
- C. The Cooperative may, at any time, require the Member to furnish at the Member's sole expense, equipment and/or devices acceptable to the Cooperative to limit the effect of motor starting on Cooperative's electric system to a level acceptable to the Cooperative.
- D. All motor starting devices are to be of a type approved by the Cooperative and are to be provided, installed, operated, maintained, and replaced by Member.

407.4 Intermittent Electrical Loads.

Electric service to equipment such as large motors or compressors, spot and arc welding machines, X-ray machines, arc-furnaces, elevators, dredges, locomotives, shovels, feed grinders, rock grinders, and any other type of Member equipment whose use of electricity is intermittent and subject to violent fluctuations, is provided to such equipment as a part of Member's installation or by a transformer dedicated solely to that equipment and served as a separate account. Except for individual transformer type arc welders whose rated primary input current does not exceed 15 amperes at 120-volt operation (38 amperes if Member is served by an individual transformer). Members or applicants for service contemplating the installation of such equipment shall make specific prior arrangements with the Cooperative for service.

407.5 Equipment Impairing Service to Other Members.

The Cooperative may decline to provide service, or may disconnect service, to Member's equipment whose operation may adversely affect Cooperative's service to the Cooperative's other Members until the Member having such equipment has, at Member's sole expense, taken all necessary corrective measures to reduce these adverse effects to a level acceptable to the Cooperative.

Cooperative may require Member to provide, at Member's sole expense, suitable apparatus to limit the effect of voltage fluctuations caused by electric equipment in Member's installation where Member is found to be operating electrical equipment which produces voltage fluctuations, interference, or distorted wave forms which adversely affect electric service provided by Cooperative to Members.

In lieu of requesting Member to install such suitable or special equipment limiting such adverse effect, the Cooperative may, at the Cooperative's option, install at Member's cost additional transformer capacity (which may or may not be dedicated solely to such member) or other equipment specially designed to reasonably limit such adverse effect.

407.6 Voltage and Wave Form Sensitive Equipment.

Any Member planning the installation of, or operating electric equipment such as computers, communication equipment, electronic control devices, etc., whose performances may be adversely affected by voltage fluctuations and distorted 60 hertz wave forms shall be responsible for providing and installing the necessary facilities to limit these adverse effects.

407.7 Change in Member's Electrical Load.

Member shall notify the Cooperative when Member's electrical load is to be changed substantially in order that the Cooperative may ensure its facilities are adequate and that billing records are accurate.

If, in the judgment of the Cooperative, any changes in the Member's electrical load or service requirements necessitates additions to or modifications of the Cooperative's facilities, the Member shall pay, in advance, a non- refundable contribution in aid of construction not to exceed the total cost of the new construction and/or modifications required.

The factors which the Cooperative may consider in determining the amount of the nonrefundable contribution include:

- A. The cost of the additions and/or modifications to the Cooperative's facilities;
- B. The future beneficial use of these facilities, including the reasonable possibility of serving additional new Members from the proposed facilities;
- C. The anticipated additional revenue from the Member receiving the additional facilities; and
- D. The expected longevity of the Member's increased load requirements.

407.8 Exclusive Service.

The service provided by the Cooperative is for the exclusive use of the Member receiving service, and the Member shall not resell or share with any other consumer any such electric energy. The Member shall not cause or permit another source of electrical energy to operate in parallel with the Cooperative's system or use the Cooperative as a source of standby, auxiliary, or supplemental service unless the Member has a written agreement with the Cooperative permitting such an arrangement.

407.9 Prohibited Uses.

The Member shall not use electric energy for any unlawful purpose or in such a manner that life or property may be endangered.

408. Attachments to Cooperative Real Property.

Any unauthorized intrusion on Cooperative real property constitutes trespass.

No posters, banners, cables, signs, light fixtures, ladders, radio or television antennas, basketball backboards, fences, structures, utility or telecommunications equipment, grounding devices, supports, or any other type of foreign object may be attached to the Cooperative's property and/or equipment unless specifically identified in a separate written contract or upon the written authorization of the General Manager.

The Cooperative will notify, or make a reasonable effort to notify any person or corporation who violates this provision and request that they remove all foreign objects and/or equipment from the Cooperative's property. If the infringing party fails to remove the unauthorized foreign objects and/or equipment within fourteen (14) days, the Cooperative will remove said unauthorized foreign objects and/or equipment and bill the party for all costs incurred.

The Cooperative may immediately remove any unauthorized foreign objects and/or equipment from Cooperative real property without notice and without liability if said object:

- A. Constitutes a safety hazard; or
- B. Impedes the construction, maintenance, or relocation of Cooperative equipment.

409. Idle Services.

Idle services are services which have been disconnected, but where the electric facilities remain in place. It shall be the policy of the Cooperative to retire such idle services under the following conditions:

- A. Service lines which are idle less than one (1) month shall not be removed, except when requested by the premises owner or when the premises have been abandoned.
- B. Service lines which are idle over one (1) month shall be retired unless the owner reconnects such service at the regular rate. If such reconnected service is subsequently disconnected within twelve (12) months after being so reconnected, then this policy shall apply, and the service shall be subject to retirement.
- C. Idle service lines which are or have been under special contract may be retired at the discretion of the Cooperative.
- D. Idle service lines and fixtures under lighting service contract may be retired at the discretion of the Cooperative.
- E. When feasible, and at minimum expense to the Cooperative, the last known premises owner will be notified about the pending removal of facilities, and given the opportunity to reinstate service.

410. Standard Service Voltages.

The Cooperative's standard service voltages for providing electric service are:

410.1 Single-Phase Service.

208/240/120 volts
480/240 volts
7,200 volts
14,400 volts

- 410.2 Three-Phase Service.
208/240/120 volts
480/277 volts
480 volts
12,470/7,200 volts
24,900/14,400 volts

These voltage designations are nominal voltages, and actual voltages will be maintained in so far as reasonably practicable.

411. Method of Providing Service.

411.1 Overhead Service Drop.

Electric service is generally available to Members throughout the Cooperative's service area from overhead distribution facilities. The Cooperative, however, may refuse to provide overhead service in any area where the Cooperative has or expects substantial investment in underground distribution facilities. To receive overhead service, Member must install a suitable bracket for attachment of Cooperative conductors in compliance with the National Electrical Safety Code.

411.2 Underground Electric Service.

Electric service from underground distributing facilities is available to Members requesting such service. In areas served by the Cooperative's underground distribution system, phase and voltage of electric service may be limited to that which can be provided from existing facilities. Underground conductors are usually connected to the Cooperative's overhead distribution facilities at a location outside the Member's premises or at suitable locations on Member's premises. The location and routing of underground distribution facilities is determined by the Cooperative. Member will pay a lump sum contribution equal to difference in cost between overhead and underground facilities.

Before the installation of underground distribution facilities, Member will complete rough site grading, establish final grade along conductor route, expose to view any underground installation including gas lines, etc., and clear the area of all obstructions. No change shall be made in the grade along the conductor route without the consent of the Cooperative. Any change in grade which requires lowering electrical conductors is at the expense of the Member.

411.3 Mobile Home Parks.

In mobile home parks and similar installation, the Cooperative provides electric service through individual meters to each space for each consuming facility. Either underground or overhead service may be provided.

411.4 Apartments.

Electric service is provided through individual meters for each living unit or through one meter at each point of delivery for any number of living units.

411.5 Connections at Point of Delivery.

The Cooperative makes connections of its conductors to Member's conductors only at the point of delivery.

SECTION V
DEFINITIONS

- 501. Applicant - Any person, firm, association, corporation, or body politic or subdivision thereof, requesting that electric service be supplied to a consuming facility by the Cooperative.
- 502. AMI-Advanced Meter Infrastructure - A comprehensive, integrated collection of devices, a communication network, computer systems, protocols and organizational processes dedicated to distributing highly accurate information about member electricity usage throughout the utility for use by the utility and the member.
- 503. Board of Directors - The duly elected Board of Directors of Victoria Electric Cooperative, Inc.
- 504. Collect or Collection - The act of obtaining payment from a Member for the use of electric service as billed by the Cooperative.
- 505. Commission - The Public Utility Commission of Texas.
- 506. Connection - The act or state of joining a Member's electric facilities to the Cooperative's distribution system.
- 507. Cooperative - Victoria Electric Cooperative, Incorporated.
- 508. Delinquent - Any portion of a Member's bill unpaid after sixteen (16) days from the date of issuance, or in reference to a Member, any Member who has not paid the bill in full within sixteen (16) days from the date of issuance, except that if the sixteenth day falls on a holiday or weekend, the due date for payment purposes shall be the next work day after the due date.
- 509. Disconnection - The act or state of disjoining a Member's electrical facilities from the Cooperative's distribution system.
- 510. Disconnecting Means or Main Disconnect - A switching device or devices located on the load, or Member's side of the point of delivery, by which the Member's entire electrical system can be disconnected from the Cooperative's distribution system.
- 511. Distribution System - All primary and secondary voltage conductors, transformers, switchgears, connections, enclosures, pedestals, poles, guys, anchors, services, meters, and associated equipment owned by the Cooperative and installed to provide electric service.
- 512. Dwelling - A single family housekeeping unit, properly equipped for full-time occupancy.
- 513. Electric Service or Service - The availability and/or actual delivery of electrical power to the Member, including any and all acts done, rendered, or performed in making said electric power available to the Member, whether used by Member or not.
- 514. Energy - The capacity for doing work. The unit for measuring electrical energy is the watt hour, or kilowatt hour which is 1,000-watt hours (kWh).
- 515. Facilities - All the plant and equipment of the Cooperative including all tangible personal property without limitation, in any manner owned, operated, leased, licensed, used, controlled, furnished, or supplied for, by or in connection with the business of the Cooperative.
- 516. Member - Any person having a membership with the Cooperative and receiving electric service.
- 517. Member's Installation; Installation - All conductors, equipment, buildings, structures, or apparatus of any kind on Member's side on point of delivery excepting only Cooperative's metering equipment.
- 518. Meter - A device, or devices, together with auxiliary equipment, for measuring electric energy usage and/or demand and/or other data.
- 519. Meter Loop - A device consisting of conductor, conduit, meter socket, and associated hardware for the purpose of facilitating the connection of the Cooperative's service led to the Member's electrical facilities with facilities for metering the Member's electrical usage through a kilowatt hour and/or demand meter in a circuit.
- 520. Meter Socket - A device that facilitates the connection of a kilowatt hour and/or demand meter in a circuit to measure the electric power in that circuit.

521. Municipality - Any incorporated city, town, or village.
522. Non-Permanent Dwelling - A dwelling so constructed as to be easily moved, hauled, or otherwise relocated from its original foundation.
523. Non-Permanent Installation or Intermittent Use Installation - Any installation other than a permanent installation.
524. Permanent Installation - Any installation that is:
- A. Constructed on or permanently affixed to a concrete slab of concrete piers (not blocks) and which is actually used or occupied on a permanent full-time basis; or
 - B. Any other structure which meets all of the following criteria:
 - 1. The structure must be impractical to move. Mobile homes with wheels, trailer hitches, and axle removed are considered impractical to move.
 - 2. The structure must be actually used or occupied on a permanent full-time basis.
 - 3. The structure must be permanently connected to a water system and sewer or septic system.
525. Permanent Residential Dwelling - A dwelling that is so constructed as to be impractical to move, haul, or otherwise relocate from its original foundation, and that is occupied on a permanent, full-time basis.
526. Person - Any individual, partnership, association, joint venture, corporation, Cooperative Member, or governmental entity.
527. Point of Attachment - The point at which the Cooperative's service lead is attached to the Member's meter loop or service entrance equipment.
528. Point of Delivery - The point at which the Cooperative meters the Member's use of electric energy.
529. Premises - A tract of real estate including building or other structures or appurtenances thereon.
530. Rate Schedules - Any schedule of rates or charges approved by the Cooperative's Board of Directors and contained in these tariffs.
531. RUS - United States Department of Agriculture Rural Utilities Service.
532. Reconnection - The act or state of connecting an existing point of delivery that previously received electric service prior to disconnection.
533. Regulatory Authority - The governing body of any municipality within which service is provided, or any other governmental agency having jurisdiction over the rates and service of the Cooperative.
534. Rules; Service Rules; Service Rules and Regulations - Any service rule or regulation of the Cooperative approved by the Cooperative's Board of Directors and contained in the Cooperative's tariffs.
535. Service Anchor or Support - The building structure, device, or other object by which the Cooperative's service lead is sufficiently anchored or supported.
536. Service Area - The area of territory in which the Cooperative provides electric utility service.
537. Service Entrance - The Member's conduit, conductors, service head, and disconnecting mains that connects Member's electrical facilities to the Cooperative's point of attachment.
538. Service Entrance Conductors - Conductors provided by the Member extending from Member's electrical equipment to the point of delivery where connection is made to the Cooperative's conductors.

539. Service Leads - The Cooperative's service conductors extending from the point of transformation or junction to the point of attachment to Member's meter loop or service entrance.
540. STEC - South Texas Electric Cooperative, Incorporated.
541. Transfer of Service - The act of disconnecting a Member's service and connecting service for the same Member at a different location within the Cooperative's service area.
542. Working Hours - The span of time during which Cooperative duties are discharged and/or business is conducted.
1. Normal Office Working Hours: Normal office working hours shall be from 7:30 a.m. to 5:00 p.m., Monday through Friday, excluding all holidays declared by the Cooperative.
 2. Off-duty Office Hours: Off-duty office hours shall be the night-time period from 5:00 p.m. to 7:30 a.m., Monday through Thursday, and the Weekend period from 5:00 p.m. Friday until 7:30 a.m. the following Monday, and all holidays declared by the Cooperative.
 3. Normal Servicemen/Linemen Hours: Normal servicemen/linemen working hours shall be from 7:30 a.m. to 4:30 p.m., Monday through Friday, excluding all holidays declared by the Cooperative.
 4. Off-duty Servicemen/Linemen Hours: Off-duty linemen/servicemen hours shall be the night time period from 4:30 p.m. to 7:30 a.m., Monday through Thursday, and the Weekend period from 4:30 p.m., Friday until 7:30 a.m. the following Monday and all holidays declared by the Cooperative. The servicemen/linemen will be available after hours on an on-call schedule basis.