

WELLS RURAL ELECTRIC COMPANY

Adopted: March 1976

Revised: September 17, 2019

Reviewed: September 17, 2019.

RULE NO. 6

DISCONTINUANCE, COLLECTION, RESTORATION AND REFUSAL OF SERVICE

A. Member/Owner's Request for Discontinuance of Service

1. Unless otherwise covered by special contract between member/owner and company, a member/owner may have service discontinued by giving not less than five days advance notice thereof to the company. Charges for service may be required to be paid until the requested date of discontinuance or such later date and will provide not less than the required five days advance notice.
2. When such advance notice is not given to the company, the member/owner may be required to pay for service until five days after the company has a knowledge that the member/owner has vacated the premises or otherwise has discontinued electric service.

B. Delinquent or Discontinuance of Service by Company

1. For Nonpayment of Bills:
  - a. A member/owner's service will become delinquent if not paid within 20 days after the billing date. At this time, \$20.00 or a 1% penalty, whichever is greater, will be added to the outstanding balance.
  - b. At such time a member/owner's account becomes delinquent, a notice will be sent to the member/owner stating if payment has not been made within five days the service will be subject to discontinuance.
  - c. If payment has not been received before the next monthly bill calculation, notification will be included on that bill stating service will be disconnected if not paid by a specific date no less than five(5) days from issuance of notification.
  - d. Any discontinuance of power to customer's dependent upon life support systems shall be in accordance with Rule 8 D.

2. For Noncompliance with Rules:

- a. The company may discontinue service to any member/owner for violation of these rules after it has given the member/owner at least five days written notice of such intention unless otherwise covered in the company's rules.
- b. A member/owner's electric service may be discontinued for nonpayment of a bill for electric service furnished at a previous location if the bill is not paid within 25 days after billing date at the new location, provided the company has given the member/owner at least five days prior written notice of such intention. If the company has issued a notice of discontinuance of service to the member/owner at the previous location, then service to the new location may be discontinued by the company upon twenty-four hours notice to the member/owner.
- c. If a member/owner is receiving electric service at more than one location, service at any or all locations may be discontinued if bills for service at any one or more of these locations are not paid within 25 days after billing date, provided the company has given the member/owner at least five days prior written notice of such intention. However, domestic service will not be discontinued because of nonpayment of bills for other classes of service.
- d. Member/owner accounts which become delinquent may be sold to a collection agency, turned into small claims court or referred to the company's attorneys for collection.

C. For Unsafe Apparatus or where service is detrimental or damaging to the company or its member/owners

1. If any unsafe or hazardous condition is found to exist on the member/owner's premises, or if the use of electricity thereon by apparatus, appliances, equipment or otherwise is found to be detrimental or damaging to the company or its member/owners, the service may be shut off without notice. The company will notify the member/owner immediately of the reasons for the discontinuance and the corrective action to be taken by the member/owner before service can be restored.
2. The company does not assume the duty of inspecting the consumer's lines, appliances or apparatus or any part thereof and assumes no liability therefore.

D. Service Detrimental to Other Member/Owners

1. The company will not establish service to utilizing equipment, the operation of which will be detrimental to the service of its other member/owners, and will discontinue electric service to any member/owner who shall continue to operate such equipment after having been directed by the company to cease so doing.

E. Fraud

1. The company shall have the right to refuse or to discontinue electric service if the acts of the member/owner or the conditions upon his/her premises are such as to indicate intention to defraud the company. When the company has discovered that a member/owner has obtained service by fraudulent means, or has used the electric service for unauthorized purposes, the service to that member/owner may be discontinued without notice. The company will not restore service to such member/owner until that member/owner has complied with all Rules and reasonable requirements of the company and the company has been reimbursed for the full amount of the service rendered and the actual cost of the company incurred by reason of the fraudulent use.

F. Failure to Meet Credit Requirements

1. If for an applicant's convenience, the company should establish electric service for him before he has established his credit, and he fails to do this within five days thereafter, the company may discontinue his service.

G. Reconnection Charge for Restoration of Service

1. Where service has been discontinued for violation of these rules or for non-payment of bills, the company will charge \$50.00 for reconnection of service prior to 3:00 pm local time on regular business days.
2. Where service has been discontinued for violation of these rules or for nonpayment of bills, the company will charge, actual costs, defined as 2 linemen for 2 hours each, after 3:00 pm local time-on regular business days, weekends or holidays.

H. Fees:

1. If company personnel makes a trip to disconnect the meter, company personnel may accept payment in lieu of disconnection. Payment will not be less than the amount due, including a \$50.00 collection fee. If the consumer refuses to pay the amount due, including the collection fee, the consumer will be disconnected.
2. If a member pays with a check or an electronic transaction and the check does not clear the bank or the electronic transaction is not accepted by the financial institute, a fee of \$35.00 will be assessed. If the member does not pay for the original charge, plus the \$35.00 return fee, the member will be disconnected.
3. The company will not accept checks as a form of payment from members who have two or more returned checks within a 12 month period.

I. Credit Extended for Unusual Circumstances:

1. The company has the right to extend credit for unusual circumstances that may prevent a member/owner from complying the company's regular billing and collection process on approval by the board of directors or the chief executive officer.

J. Refusal to Serve

1. Conditions for Refusal

The company may refuse to serve an applicant for service under any of the following conditions:

- a. If the applicant fails to comply with any of the rules as established by the company.
- b. If the intended use of the service is of such a nature that it will be detrimental or injurious to existing member/owners.
- c. If, in the judgment of the company, the applicant's installation for utilizing the service is unsafe or hazardous, or of such nature that satisfactory service cannot be rendered.
- d. Where service has been discontinued for fraudulent use, in which case Rule 6-E will apply.
- e. If the applicant is delinquent in the payment of bills for the same classification of service.

2. Notification to Member/Owners:

When an applicant is refused service or his/her service has been discontinued under the provisions of this rule, the company will notify the applicant promptly of the reason for the refusal to serve and of the right of applicant to appeal the company's decision to the proper governing authority.