



POLICY NO. 300-020

TITLE: MEMBER ACCOUNTS

I. OBJECTIVE

To provide a level of member service that is fair and nondiscriminatory, is administered consistently and courteously, and complies with applicable laws and regulations.

II. POLICY

A. Definitions

1. Advanced Metering Infrastructure (AMI): A technology consisting of hardware and software applications that allows for automated meter reading, power outage management, and electrical distribution system analysis.
2. CCEC or Cooperative: Coos-Curry Electric Cooperative, Inc.
3. Good Credit Rating: Having no more than one Delinquent Notice in the prior twelve (12) month time period. For a new member the credit rating is determined by an On-Line Utility Exchange inquiry.
4. MSR: Member services representative.
5. Member: The actual person(s) or entity listed on an account as receiving service from CCEC.
6. On-Line Utility Exchange: A third party bad-debt management and credit reporting tool. Used by CCEC to make security deposit decisions and to verify applicant identity.

7. Utility Power Net (UPN) The integrated customer information, general accounting and capital credit system used by CCEC. UPN is a product of Southeastern Data Cooperative (SEDC).
8. Delinquency - An account shall be considered delinquent and may have electrical service disconnected if an arrears balance remains unpaid the next calendar day after the due date printed on the delinquent notice.

B. Fees

1. Membership Fee: New members or previous members who have not had an active account for 6 months will be charged a nonrefundable membership fee of \$5.00.
2. Service Connection Fee: The service connection fee for each inactive electric service meter is \$45.00 during regular office hours and \$200.00 after hours. To transfer the responsibility for an active service, the fee is \$20.00.
 - a) If the connection of multiple meters, supplied from the same UPN pole location, is requested at one specific time, only one connect fee will be charged.
 - b) If a member requests a service disconnect and has service reconnected at the same location within a twelve (12) month period, the member will be required to pay the \$45.00 connect fee and the monthly basic charge for the months the service was disconnected.
 - c) The connect fee may be included in the cost of a new line extension, temporary service or as defined in the Line Construction Contract provided the meter is energized while the crew is on site.
3. Late Fee: When a delinquent notice is issued, a processing penalty of 5% of the past due balance will be assessed.
4. Returned Payment Fee: Returned check, Electronic Funds Transfer (EFT), and credit card charge backs are subject to a \$25.00 fee per item.
5. Non-payment Service Fee: If a member is in arrears and appears on the cutoff list a \$50.00 service fee will be charged to the account. If multiple accounts held by one member and supplied from the same

UPN pole location are scheduled for disconnection at one time, only one fee will be charged.

6. Landlord Service Agreement Fee: Property owners will be charged \$5.00 per meter to be set-up on a Landlord Service Agreement. This fee is nonrefundable.

C. Application for Membership, Service Transfer, New Service and Disconnect

1. New members requesting electric service must make application for membership and pay all applicable fees and security deposits in accordance with CCEC's established bylaws and as defined by board policies.
2. Applicants for membership shall provide, at minimum, the personal identifying information required in the Identity Theft Prevention Program and submit to a credit inquiry via On-Line Utility Exchange.
3. No new account shall be established or electric service provided to any member with outstanding, past-due amounts owed to the Cooperative from present or prior accounts until all such outstanding amounts have been paid in full or satisfactory payment arrangements have been made and approved by the Marketing and Member Services Manager or designee.
4. Members applying for service at a location where utilities have been disconnected as a result of nonpayment by the previous occupants may be required to provide a rental agreement signed by the landlord or proof of ownership. If any individual listed on the rental agreement or escrow paperwork has a bad debt or delinquent balance with CCEC the following must be paid prior to service being reinstated:
 - a) Any bad debt delinquent balance including any current charges associated with a delinquent account;
 - b) Any applicable fees and charges;
 - c) Any outstanding or additional security deposit.
5. The Cooperative will honor all requests by the member to discontinue service as expeditiously as possible; however, the actual disconnect may take up to five days to complete.
6. The Cooperative may refuse to connect or may disconnect service for unsafe circumstances or any violation of its service policies, rules,

Bylaws, and procedures. All outstanding charges must be paid in full prior to reconnection.

D. Security Deposit

1. Applicants for electrical service shall pay a security deposit, unless the applicant qualifies for an exception or waiver according to this policy.
 - a) The amount of the security deposit shall be equal to two times the average monthly bill for energy consumption during the previous twelve (12) months of usage at that location or \$100.00, whichever is greater.
 - b) One-half (1/2) of the total security deposit is due at the time of application for membership. The remaining balance may be amortized in three (3) monthly payments or longer with the Member Services Manager, or designee's, approval.
 - c) Services with no record of kWh consumption shall be charged a minimum security deposit of \$250.00 for residential rate accounts or two (2) times the average estimated bill, whichever is greater.
 - d) Member accounts may be routinely reviewed for adequate security. New or additional security may be required from an existing member to meet the minimum requirements of this section; if they do not maintain a good credit rating or their account guarantor no longer qualifies.
2. Exceptions, Waivers or Refund of Security deposits:

The Security deposit may be reduced or waived under any of the following circumstances:

- a) A Cooperative member with a good credit rating shall not be charged a security deposit for a new or additional service or their transfer of membership to an existing service unless the transfer is to a class of service for which no credit rating has been established.
- b) The security requirement will be waived if Online Utility Exchange recommends waiving the full security due to overall credit worthiness.
- c) The security deposit may be reduced or waived by the Marketing and Member Services Manager, or designee's, approval if member can demonstrate good cause.
- d) An active CCEC member with an established account and a good credit rating guarantees payment for the applicant's account(s). A CCEC Co-Signer Agreement must be

completed and signed by both parties at the Cooperative before service will be established.

- e) Refund eligibility is contingent upon a Member maintaining a good credit rating for a minimum of twenty-four (24) months of consecutive service. Security deposit refund(s) will be applied to the Member's account.
 - f) When a member files a bankruptcy petition, the member's existing account(s) will be closed and new account(s) established. If any of the member's accounts are past due at the time of such filing, the Cooperative may require a new or additional security deposit or other adequate assurance of future payment, which will be due within 20 days of the date of the order for relief as provided in 11 USC Section 366. With respect to a bankruptcy filed under chapter 11, the Cooperative may alter, refuse, or discontinue service, if during the 30-day period beginning on the date of the filing of the petition the Cooperative does not receive from the debtor or the trustee adequate assurance of payment for service that is satisfactory to the Cooperative. Members filing a bankruptcy petition are required to notify CCEC within thirty (30) days.
3. CCEC may provide members with the option of prepaying (Prepay) for their electrical service in lieu of paying a security deposit. The prepay option will be administered in accord with CCEC's Prepay Program.

E. Meter Reading

- 1. Meters will be read monthly or at other intervals at CCEC's discretion. If a meter reading cannot be obtained for a particular period, CCEC may estimate the reading and render a bill based on the estimated billing. CCEC may modify meter reading schedules at its discretion.
- 2. CCEC utilizes AMI electronic technology to read meters. As a condition of service, CCEC does not allow a member to not participate in, or opt-out of, the electronic meter reading technology.

F. Billing

- 1. Bills are due and payable upon presentation and become-past due twenty-five (25) days after the billing date. Past due accounts are subject to a service disconnect in accordance with the Termination for Non-payment section of this policy.

2. The twenty-five (25) day bill period applies to current charges only. Services may be subject to disconnect for past due account balances prior to the due date on the current bill.
3. Payment may be made by cash, check, cashier's check, money order, credit card (VISA or Master Card only) or other form of legal tender. VISA or Master Card payments for work orders may not exceed \$2,000 per work order.
4. Payment extensions are binding and subject to all applicable remedies including termination of service.
5. Closing bills are due and payable upon presentation. For billing periods of less than a full month, the bill may be prorated. Final bills remaining unpaid are subject to all applicable remedies including transfer of balance to an active account or collection agency referral.
6. A returned payment fee will be added to the member's account each time a payment is returned. Three returned items per member number in a twelve (12) month period requires future payment in the form of cash, credit card, or other guaranteed funds.
 - a) Returned payments are defined as a member's payment (whether by check, electronic funds transfer (EFT), or credit card) that is returned or disputed. (Credit card payments that are declined at the time of payment are not considered returned items.)
 - b) If a member who was required to make payments with guaranteed funds maintains a good payment history for 24 months the "no check" flag may be removed with approval of the Marketing and Member Services Manager, or designee.
7. Idle services where monthly minimum charges have been unpaid for six (6) months are considered uncollectible and subject to service retirement and the debt being turned over to the Cooperative's collection agency.
8. Billing adjustments will be made in accordance with Rate Schedule Rules and Regulations.
9. CCEC may provide qualifying residential members the option of participating in the Residential Fixed Budget or Levelized Budget Billing program. To qualify, a consumer must be current on power bills, and have a good credit rating.

- a) The Levelized Budget Billing amount will be calculated by averaging the billings for the rolling previous twelve (12) months and will be adjusted monthly. (Qualifying account may be enrolled at any time.)
- b) Fixed budget billing will be calculated by averaging the billing for the past twelve months. This bill will be recalculated after eleven (11) months and an adjusted bill will be issued on the twelfth (12) month. (Qualifying account may be enrolled after receiving service at the same location for the past twelve (12) months.)
- c) In the event a Member fails to make timely payments and payments become past due, CCEC may declare the past due amount immediately due and payable and service may be terminated in accordance with this policy.
- d) The member may discontinue the Levelized or Fixed Budget payment plan at any time by so notifying CCEC. Upon discontinuance, any amount owed by CCEC to the member will be applied to the member's account. Any amount owed by the member will be due and payable by the due date of the current bill.

G. Landlord Service Agreement

- 1. Property owners with rental property may enter into a Landlord Service Agreement with CCEC. Under such an agreement the property owner agrees to assume responsibility for payment of all electricity and security light charges for the property(s) from date of a tenant(s) disconnect order until the new tenant(s) establishes the service. All of the following requirements must be met:
 - a) The landlord is a member of CCEC.
 - b) The landlord will pay all applicable fees in accord with this policy.
 - c) The landlord shall be responsible for the basic charge and any energy consumption charge until the landlord requests a service disconnection or a tenant at that location establishes service. This clause shall be in effect whether or not the property is occupied.
 - d) The landlord will be responsible for notifying CCEC if any of the landlord's properties are sold or transferred. CCEC will not be held responsible for the charges accrued if a meter is transferred into a landlord's name when a property has been sold or fraudulently transferred into the landlord's account.

Sole responsibility is that of the landlord or tenant to notify CCEC of any changes necessary on an account.

H. Service Disconnect/Termination for Non-Payment

1. The right to disconnect service may be exercised whenever a delinquency, as defined by this policy, occurs. Neither delay nor omission on the part of the Cooperative to enforce this rule at any one or more times shall be deemed as a waiver of its rights to enforce the same at any time, so long as the delinquency continues. Except where prohibited by law, the Cooperative reserves the right to refuse, to limit, or to disconnect service to any member having a delinquent balance and may transfer the delinquent balance to the member's active account for collection purposes.

a) The following notification will be provided prior to termination of electrical service for a delinquent balance.

a) All accounts having a past due balance eight (8) calendar days after the due date on their bill will be sent a Delinquent Notice. This notice specifies eight (8) additional calendar days for payment of the past due balance. A late fee will be posted to the account at the time of issuance of a Delinquent Notice.

b) If the past due balance remains unpaid after the due date on the Delinquent Notice a service fee is posted to the account and service may be disconnected without further notice with the following exceptions:

(a) Prior to the expiration of the Delinquent Notice, a member may request a payment arrangement. However, the Cooperative will not be required to enter into payment arrangement. Additionally the Cooperative shall not enter into a payment arrangement with a member who has not fully and satisfactorily complied with the terms of any previous payment arrangement or who has had four (4) payment arrangements in a twelve (12) month period.

(b) Service will not be disconnected for account payment delinquency if the member has an unresolved bill dispute. Bills must be disputed within 25 days of issuance.

(c) Whenever service is furnished to end users through a master meter and the owner or

manager is the Cooperative member every good faith effort will be made to inform the actual end users prior to disconnection. Service will be made available to residential occupants who are willing to assume subsequent charges for the entire service and can meet the conditions for membership.

- (d) Whenever there is a tenant landlord relationship and the landlord is the Cooperative member every good faith effort will be made to inform the actual end users prior to disconnection. Service will be made available to residential occupants who are willing to assume subsequent charges for the entire service and can meet the conditions for membership.
 - (e) Members who provide a signed statement from a licensed physician prior to disconnection that such action will result in a life-threatening situation may request amortization of their past due balance. The Marketing and Member Services Manager, or designee, may approve the members request and establish an amortization schedule. A member with an amortized payment plan must comply with all other terms of this policy.
2. Returned Item Notices are sent when a customer's form of payment (whether by check, Electronic Funds Transfer (EFT), or credit card) is returned.
- a) In the event of a returned payment, the customer has seven (7) calendar days from the date of the Notice to pay the face value of the returned item, the returned item fee, and any other arrears balance to avoid disconnection of services.
3. All of the following must be paid to avoid a scheduled disconnection, or to reconnect a service that has been disconnected by field personnel or an AMI disconnect collar.
- a) The entire account balance including any current charges;
 - b) Any applicable fees;
 - c) Any outstanding or additional security deposit;
 - d) Any outstanding bad debt;
 - e) When a member contacts CCEC or CRC (Cooperative Response Center) after normal business hours and requests a

reconnect of service, the member will be required to pay all charges and fees with a VISA or MC credit or debit card or deliver the funds to a CCEC authorized payment center no later than 10:00 a.m. the following business day. Failure to deliver payment as scheduled will result in an immediate service disconnection; an additional field trip charge and the appropriate administration fee to be applied to the member's account.

- f) Field personnel may not accept payment from members in the field except to avoid disconnection of service for members who have a mental or physical impairment that substantially limits their ability in contacting a CCEC business office.
4. Payments made after electrical service has been disconnected for non-payment or payment made to establish service for a member with a bad debt must be in guaranteed funds.
 5. The Cooperative will disconnect service without notice in the following circumstances.
 - a) Dangerous or emergency conditions;
 - b) Meter tampering, theft, illegal diversion, or any other unauthorized use of electric service in accord with the Meter Tamper Policy;
 - c) Failure to meet the terms of a payment arrangement following the notice of disconnection;
 - d) Name rotation to avoid payment;
 - e) Fraud.
 6. Life Support Members for the purpose of this policy are defined as members who would have a life-threatening situation if they had a loss of power. The Cooperative is unable to guarantee constant or continuous electric service, and reasonable efforts will be made to notify all members of any planned outages.
 - a) Members on life support are not excused from making timely payment of their energy consumption.
 - b) If a licensed physician certifies that loss of electric service will significantly endanger the physical health of a person living in the member's household, CCEC will install an amperage-limiting device sufficient to power the necessary medical equipment rather than disconnect or refuse to reconnect the service. Certifications must be renewed annually.
 - c) CCEC may either postpone a disconnection or install a limiting device if the absence of electricity could create or contribute to

an emergency medical situation. The member will be required to provide CCEC with a completed certification form within two business days. Failure to provide the written certification within the specified time or allowing a medical certificate to expire will result in disconnection of service.

7. Services will not be disconnected for non-payment on any date for which the National Weather Service forecasts that the temperature within the location's business district will exceed 100 degrees Fahrenheit for a period of 12 or more hours or where the average temperature is below 32 degrees Fahrenheit for a period of 12 or more hours.

I. Uncollectable Accounts

1. Each month accounts that are considered uncollectible will be presented to the board for review. Upon board approval, uncollectible accounts will be referred to the credit collection agency.

III. RESPONSIBILITY

The GM/CEO shall be responsible for overseeing the administration of this policy.

ATTEST:

/s/ Daryl Robison
Daryl Robison, Secretary

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