

MENARD ELECTRIC COOPERATIVE

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POLICY MANUAL
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1.1 REQUIREMENTS FOR MEMBERSHIP

An individual, two individuals for joint membership or an entity may become a member of Menard Electric Cooperative upon receipt of electric service from the cooperative provided that the applicant or applicants has first met the following requirements:

- 1) Is not a minor and is legally competent and accountable for debts incurred;
- 2) Made a written application for membership therein;
- 3) Agreed to purchase from the cooperative electric energy as herein specified;
- 4) Agreed to comply with and be bound by the Articles of Incorporation, By-Laws, Policies, and any Rules and Regulations of the cooperative adopted by the Board of Directors, and
- 5) Paid the membership fee hereinafter specified.

Each membership shall be personal to the applicant or applicants for joint membership. No member may hold more than one membership in the cooperative. No membership in the cooperative shall be transferable, except as provided in the By-Laws.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 8-22-23

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2.1 MEMBER OBLIGATIONS

The cooperative's undertaking extends only to the supplying of service at the point of delivery. The cooperative member shall assume full responsibility for the electric energy upon the premises at and beyond the point of delivery, and for the wire, apparatus, devices and appurtenances used in connection with the service. The member shall indemnify and defend the cooperative against all claims and demands for loss, damage or injury to persons or property in any manner directly arising from, connected with, or growing out of the transmission or use of electric energy by the member as aforesaid, or on the member side of the point of delivery.

All line equipment supplied and installed by the cooperative for the use of its members has a definite capacity. Therefore, it must be the responsibility of the member to notify the cooperative before any significant change shall be made in connected load, either in location or purpose, or addition of such equipment. Failure to give notice of such changes or additions may render the membership liable for any damage to meters or accessories, transformer, wires or other apparatus of the cooperative, caused by the additional or changed installation.

The member shall assume full responsibility for owned equipment and protective devices beyond the point of delivery. Such protection may include, but not be limited to, forms of overcurrent, surge and lightning, undervoltage, overvoltage, thermal and frequency protection.

The member shall protect the equipment of the cooperative on the premises and shall not interfere with nor alter, nor permit interference with or alteration of, the cooperative meters or other property except by duly authorized representatives of the cooperative.

No part of the member's wiring shall be attached to any of the cooperative's poles except the meter pole for service wires.

Any loss or damage to the property of the cooperative due to, caused by, or arising from carelessness, neglect or misuse by a member or a person acting for the member shall be the responsibility of the member, and the cost of making the necessary replacement and repairs shall be paid by the member.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 8-22-23

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3.1 METER TAMPERING AND/OR DIVERSION

Tampering with cooperative meters or other equipment will subject said service to all costs involved in restoring the meter and service to its proper order, the estimated kilowatt-hour consumption over the period of time involved in the tampering, plus a Meter Tampering Charge of \$350.00.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 1-24-23

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4.1 UNAUTHORIZED CONNECTION OR RECONNECTION

Any service that has been connected or reconnected by a member regardless of the reason for disconnection, shall be subject to a \$75.00 service charge in addition to all charges necessary to connect or re-establish this service.

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1ST REVISION BY BOARD OF DIRECTORS 4-27-99

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 1-24-23 (Effective 5-1-23)

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5.1 MISSING METER SEALS

Where meter seals are found to be missing from a cooperative meter installation, an employee will be dispatched to check the service, meter and other cooperative facilities to verify that no tampering or diversion of electricity occurred. If it is determined that only the seal was cut, a letter will then be mailed to the member as to the fact that the seal was missing and what the meter seal represents. The letter shall state in effect if the meter seal is missing a second time appropriate charges will be made for resealing this service.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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6.1 APPEARANCE BY MEMBERS OR OTHERS AT REGULAR BOARD MEETINGS

The Board of Directors will hold Board meetings in compliance with the By-Laws.

The Board of Directors will hold regularly scheduled monthly board meetings to transact the business affairs of Menard Electric Cooperative. Any person other than Directors, management, employees and invited guests requesting to appear at a Board of Directors meeting must adhere to the following requirements;

- 1) Make a written request (using the form "Request to Attend Meeting of the Board of Directors" to the General Manager or the Board President at least two weeks prior to the meeting).
- 2) Provide a summary of item to be presented and note the amount of time requested for making the presentation, fifteen (15) minutes will be allotted unless prior arrangements are made.
- 3) Provide the name and address of the person making the presentation and names and addresses of others who will accompany the person making the presentation.
- 4) Sign and date the Request Form. The General Manager and Board President have the authority to deny a request if;
 - a) Said request is not in the form set forth above, or
 - b) The General Manager and Board President conclude that the subject matter of the request is without merit, improperly motivated, or is a decision that should not be made or approved by the Board.

The cooperative management shall make every reasonable effort through conference with the requesting member(s) to resolve the matter without necessity of their attendance at a Board meeting. When individuals comply with the aforementioned requirements, the individuals will be notified of the time and place to appear for the presentation. Attendance allowed at a meeting of the Board of Directors shall be limited to consideration of the specific matter (which the requesting person has set forth in writing).

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6.2 APPEARANCE BY MEMBERS OR OTHERS AT REGULAR BOARD MEETINGS

The Board reserves the right, and it has the duty, to exclude any person from the meeting at any time that the majority of the Board deems such action necessary for the Board meeting to proceed objectively and without the prejudice or coercion of such person(s)' attendance might cause. The Board will hear such presentation totally, including asking any question that it deems appropriate, but it will not discuss or respond to or take action with respect to such matter or inquiry until after such person(s) have retired from the meeting room. After deliberating and making a decision the Board shall inform such person(s) of their decision.

It shall be the responsibility of the General Manager and the Cooperative Attorney to implement this policy in connection with:

- 1) Processing requests
- 2) Reporting to the Board of Directors.

It shall be the responsibility of the Board of Directors to implement this policy in connection with:

- 1) Making any final decision as to whether to grant a meeting attendance request, and
- 2) Instructing any person attending a Board meeting and otherwise assuring compliance with this policy.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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7.1 ACTIVE MEMBER'S REQUEST FOR INFORMATION

The purpose of this policy is to establish the rules and procedures to be followed in response to Active Member Information Requests.

Requests from active members for cooperative information shall be governed by the following rules and procedures:

- 1) Any request (other than requests for routine items such as rate schedules, rules and regulations, articles of incorporation, By-Laws, published policies, operating procedures, newsletters, etc.) shall be made in writing using the Active Member Information Request Form attached and made a part of this policy.
- 2) The Request Form as executed will be reviewed as soon as possible by the General Manager in consultation with the Board President and Cooperative Attorney. If the General Manager concludes, after consultation with the Board President and Cooperative Attorney:
 - a) That the request is in good faith;
 - b) That the information requested is deemed reasonable and necessary per their request;
 - c) The active member specifies a proper use to which he or she will or may put the information and data, and covenants not to furnish the information or data to non-members or put it to any use other than as stated;
 - d) That furnishing the requested information will be in the best interests of the cooperative, the General Manager may provide for making such information available during normal business hours. The requesting active member shall bear the cost of copying information and data, whether it be routine items or non-routine items. If the General Manager, Board President and Cooperative Attorney have any questions about granting the request based upon any of the above factors, the matter shall then be referred to the Board of Directors.

In order to prevent improper disclosure of information, minutes of the meetings of the general Board shall not be furnished as a whole to a requesting active member. Instead, the cooperative will furnish an active member copies of excerpts that contain or relate to the specific information requested. No portion of such minutes shall be made available to an active member if it contains matters that could subject the cooperative to suit or unauthorized disclosure of information. The General Manager will report to each meeting of the Board of Directors any Active Member Information Requests received during the month. It is further the policy of this Board to request "Releases of Information" from any individual or business when appropriate.

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7.2 ACTIVE MEMBER'S REQUEST FOR INFORMATION

The cooperative will not release any information or data in relation to any pending lawsuit against it, any of its officers or employed personnel, except upon appropriate Court Order, or upon the advice of counsel, approved by the Board of Directors. The cooperative will not release any information or data:

- 1) That will or may unlawfully invade any person's privacy;
- 2) That is of a confidential nature, such as employee's individual employment file or a budgeted but unpublished minimum or maximum for future facilities or contract work that will be negotiated or let to bid;
- 3) That would violate any agreement with third parties with respect to trade secrets;
- 4) That if so published for that reason, among others, might subject the cooperative to an adverse action, in law or in equity, or by any regulatory agency;
- 5) That if so published would adversely affect the cooperative in its negotiations with third parties for any purpose;
- 6) That if so published, would otherwise adversely affect the cooperative unduly out of proportion to the possible rightful interest of the requesting member;
- 7) That is prohibited by any tribunal having jurisdiction in the premises; or
- 8) That would violate the privilege of confidential communication between the cooperative and its attorney.

It will be the responsibility of the General Manager and his staff to implement this policy, in coordination with the Cooperative Attorney. In no event should "non-routine" information or data be released except upon prior consultation of the General Manager. It shall be the responsibility of the Board of Directors to implement this policy when Active Member Information Requests are submitted for consideration and decision.

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APPROVED BY BOARD OF DIRECTORS 2-28-12

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8.1 BILLING AND TERMS OF PAYMENT

Energy bills are mailed on or about the fifth business day of the beginning of each month. Electric bills are due and payable when presented. Payment should be made within ten (10) days.

If payment is not received within twenty-one (21) days after the date of the original bill, a “Late Fee Charge” for the greater of (i) three percent (3%) on the unpaid balance or (ii) \$3.00, will be added to the account. If payment is not received by the cooperative on or before the first business day of the month immediately following the month in which the original bill was presented, the Collection Process outlined in the Continuity and Discontinuance of Service Policy will take effect.

Notwithstanding the aforementioned, the cooperative office staff may waive the Late Fee Charge no more than once per calendar year for members who have not had a Late Fee Charge during the past twelve (12) months.

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1st REVISION BY BOARD OF DIRECTORS 3-24-92

2nd REVISION BY BOARD OF DIRECTORS 12-22-09

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 8-22-17

APPROVED BY BOARD OF DIRECTORS 1-23-18 (Effective: Billing 7-1-2018)

APPROVED BY BOARD OF DIRECTORS 5-28-19 (Effective: Billing 7-1-2019)

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9.1 BUDGETWISE BILLING PROGRAMS

A BudgetWise billing service is available to members being served under any residential rate. The cooperative offers two types of BudgetWise mechanisms. Member agrees to pay the monthly BudgetWise amount, regardless of methodology. All payments will be subject to the Billing and Terms of Payment Policy of the cooperative.

The cooperative will bill BudgetWise accounts under the following terms and conditions:

1) Budget Billing

- a. Member will enter into a written agreement with the cooperative for Budget Billing.
- b. The monthly budget amount will be established by the average dollar amount of most recent twelve (12) actual monthly billing statements for the service location with a three percent (3%) adder.
- c. If the service location does not have twelve (12) prior actual monthly billing statements, electric usage for twelve (12) monthly periods will be estimated.
- d. The member will be billed the same budget amount each month of the twelve (12) month budget billing period.
- e. The Budget Billing mechanism includes a settlement month during which any overage or under-collection as of that month will be trued-up and a new budget amount established.
- f. The cooperative will periodically re-evaluate the monthly budget amount during the twelve (12) month budget billing period and may apply a one (1)-time adjustment to the budget amount for the remaining months of the budget billing period.
- g. Credit balances greater than \$50.00 during the settlement month, will be refunded to the member in the form of a check. Credit balances less than \$50.00 during the settlement month will remain on the electric account and will be applied towards the member's next monthly billing statement.

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9.2 BUDGETWISE BILLING PROGRAMS

h. Members whose service is disconnected for non-payment will be required to pay in full all outstanding amounts due, including necessary security deposit. Such member forfeits the right to participate in the Budget Billing mechanism for the balance of the current twelve (12) month budget billing period.

2) Average Billing

a. The monthly average bill amount will be established as the average dollar amount of the actual electric billing statements for the service location during the most-recent rolling twelve (12) month period, with a three percent (3%) adder, and rounded up to the nearest whole \$5.00 increment. The average bill amount is re-established each month accordingly.

b. If the service location does not have twelve (12) months of prior actual billing statements, all prior actual electric billing statement amounts will be averaged until a rolling twelve (12) month period is established.

c. The member will be billed a dynamic average bill amount each month. The Average Billing mechanism does not utilize a settlement month.

d. Members whose service is disconnected for non-payment will be required to pay in full all outstanding amounts due, including necessary security deposit. Such member may continue to participate in the Average Billing mechanism after bringing the account into good standing.

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APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 5-28-19 (Effective Billing 7/1/19)

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10.1 LOST OR MISPLACED BILLS/PAYMENTS

The cooperative shall not be responsible under any circumstances, for energy bills or payments lost in the mail or otherwise. Therefore, penalties shall apply in accordance with rate schedules and tariffs.

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1st REVISION BY BOARD OF DIRECTORS 3-24-92

APPROVED BY BOARD OF DIRECTORS 2-28-12

2nd REVISION BY BOARD OF DIRECTORS 8-22-23

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11.1 BILLING RATE CHANGES

Where the member is found to be on the improper rate, as the result of an investigation made at the member's request or inspection by cooperative employees or duly authorized agents of the cooperative, the change to the proper billing rate will be applied to the time period determined by, and at the discretion of, the cooperative.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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12.1 RESALE OF SERVICE

All purchased electric service on the premises of the member shall be supplied exclusively by the Cooperative, with exception for the allowance of member-owned or operated distributed generation interconnected within the terms and conditions of the Agreement for Interconnection and Parallel Operation of Distributed Generation.

The member shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service, or any part thereof, without written consent of the Cooperative.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

2nd REVISION BY BOARD OF DIRECTORS 2-22-22

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13.1 TEMPORARY SERVICE

In order to receive temporary service or request a line extension for temporary service, the member shall pay in advance the full estimated cost of construction and retirement of the service or extension, less the estimated value of materials returned to stock. The cooperative may also require a deposit in advance in the amount of the estimated energy bill under the applicable rate. Payment of full construction and retirement cost waives the required minimum term of service. (Temporary Service is defined as a service that in the opinion of the cooperative may be of shorter duration than five (5) years.) Oil well services shall be considered temporary.

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APPROVED BY BOARD OF DIRECTORS 2-28-12

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14.1 MEMBER WIRING

All wiring must conform to the current edition of the National Electrical Code, National Electrical Safety Code, and the cooperative's wiring specifications and recommendations.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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15.1 STANDBY GENERATORS

If standby facilities are to be employed, a single transfer switch or relay of adequate capacity shall be installed so that the cooperative's equipment cannot become energized by the standby unit under any conditions. This shall be a double throw type switch or relay and may be manually or automatically operated. This transfer switch must be installed in accordance with the National Electrical Code, National Electrical Safety Code, and the cooperative's wiring specifications and recommendations.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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16.1 METER LOCATION

Meters shall be accessible to employees and authorized agents of the cooperative at all times and shall be either pole mounted, panel mounted, or located on the outside of the house or building.

If entrance cable is used, it shall be exposed to full view from the weatherhead to the meter and the meter height should be three (3) to five and one-half (5 ½) feet above final grade.

If meter location does not meet the above specifications, a reasonable time will be allotted for the member to make necessary alterations. If after thirty (30) days the meter location is not made to conform to the cooperative specifications the service will be subject to disconnection.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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17.1 RIGHT OF ACCESS

Duly authorized representatives of the cooperative shall have the right of ingress to and egress from the premises of members at all reasonable times, for the purpose of reading, testing, inspecting, repairing, replacing or removing property on the termination of its contract or on discontinuance of service for whatever cause, or for any other necessary reason pertaining to electrical service.

Unreasonable deterrents to access of cooperative facilities shall cause the service to be disconnected and/or other appropriate action taken by the cooperative.

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APPROVED BY BOARD OF DIRECTORS 2-28-12

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18.1 METERING EQUIPMENT POLICY

Objective

To establish the general conditions by which the cooperative or the member must install and maintain electrical equipment to enable the cooperative to provide electricity services to a member's service location, including but not limited to: metering equipment, conductors and conduits, enclosures, service disconnects, ground rods, or fasteners and attachments.

The cooperative provides the member several metering configuration options based on service type and makes specification drawings available for each to provide member responsibility clarification. Each specification sheet identifies the party (cooperative or member) responsible for installation, repair and replacement of electrical equipment.

The cooperative will apply industry standards to maintain uninterrupted service. The cooperative shall not be liable for direct or consequential damages to electrical equipment owned and maintained by the member, resulting from natural disasters, public enemies, accidents, strikes, riots, wars, repairs, orders of the court or other acts reasonably beyond the control of the cooperative.

Provisions for Metering Configurations

1) Self-Contained Meter Sockets:

- a. Self-contained meter sockets are available for single phase 120/240V services up to 320 amp capacity.
- b. Cooperative will supply an appropriate meter socket dependent on the type of service requested. The cost to the member for the meter socket will be determined by the type of meter socket. Current charges are available upon request from the cooperative. Meter sockets supplied by the cooperative will be maintained by the cooperative.
- c. If the meter socket does not have a main disconnect switch(es), the member shall be responsible for installing and maintaining the main disconnect switch(es) and associated wiring at their expense. Members' equipment shall meet National Electric Code and National Electric Safety Code requirements at the time of installation.
- d. Member is required to mount the meter base at a location approved by a duly authorized representative of the cooperative. The member is required to maintain the structure to which the meter socket is mounted and ensure the meter socket is secure.
- e. If the member elects to provide their own meter socket, it must be approved by a duly authorized representative of the cooperative prior to installation. Member-provided meter sockets will not be maintained by the cooperative.

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18.2 METERING EQUIPMENT POLICY

2) Self-Contained Meter Loops:

- a. Self-contained meter loops are available for single phase 120/240V services up to 200 amp capacity.
- b. The cooperative will supply an appropriate meter loop dependent on the type of service requested. The cost to the member for the meter loop will be determined by the type of meter loop. Current charges are available upon request from the cooperative.
- c. Meter loops supplied by the cooperative must be attached to a cooperative-owned pole. Meter loops supplied by the cooperative will be maintained by the cooperative at no cost to the member, except for instances where the damage was caused by the member.
- d. At all times the cooperative retains ownership of the meter pole, meter loop, and all metering equipment and devices installed by the cooperative.
- e. When upgrading from 100 amp to 200 amp capacity, a credit or salvage value will be provided to member equal to 30 percent of the new installation charges of the meter loop being removed. No credit or salvage value will be given for existing loops that are less than 100 amp capacity. No credit or salvage value will be given for any meter loop where a facility charge is not assessed.
- f. Member may construct, install, and maintain their own permanent meter loop with approval of a duly authorized representative of the cooperative and at the member's sole expense. The loop shall meet the requirements of the National Electrical Code, the National Electrical Safety Code, and be constructed to meet the cooperative's wiring specifications and recommendations. The loop shall be tagged, stamped, or otherwise identified as belonging to the member and must be maintained by the member at their expense. Members' pole-mounted meter loops shall be affixed to meter poles installed by the cooperative for that purpose.

3) Instrument Transformer Metering:

- a. Instrument transformer metering is required for services that meet the following categories:
 1. Three-phase
 2. Voltage greater than 240V
 3. Ampacity greater than 320 amp capacity
- b. The cooperative will supply the appropriate instrument transformer metering equipment dependent on the type of service requested. The cost to the member for the instrument transformer metering will be determined by the type of installation. Current charges are available upon request from the cooperative. At all times the cooperative shall retain ownership of the metering equipment and devices installed by the cooperative.

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18.3 METERING EQUIPMENT POLICY

- c. The cooperative will not install a disconnect switch(es) at the meter location when instrument transformer metering is used. The member is required to install and maintain the disconnect switch(es) and associated equipment at their expense. Members' disconnect switch(es) and equipment shall meet the National Electric Code, National Electric Safety Code, and be constructed to meet the cooperative's wiring specifications and recommendations.
- d. The member is required to install the disconnect switch(es) and associated equipment at a location approved by a duly authorized representative of the cooperative. If this location is not on a cooperative-owned pole, the member is required to maintain the structure to which it is affixed.
- e. Metering equipment purchased from and installed by the cooperative will be maintained at no cost to the member, except for instances where the damage was caused by the member.

4) Temporary Meter Loops:

- a. The cooperative will install a temporary meter loop for members who have need for light capacity service for a short duration, such as during the building of a home or other construction purposes. Temporary meter loops under this Policy are expected to be replaced with a permanent service and adequately-sized metering equipment within six (6) months or less.
- b. Temporary meter loops will be single phase, 120/240V, 100 amp capacity.
- c. Temporary meter loops will be pole-mounted if sourced from the cooperative's overhead distribution system or post-mounted if sourced from the cooperative's underground distribution system.
- d. A monthly rental charge will be assessed to the member for the use of the temporary meter loop until it is removed by the cooperative. Current charges are available upon request from the cooperative.

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1ST REVISION BY BOARD OF DIRECTORS 4-25-06
2ND REVISION BY BOARD OF DIRECTORS 10-24-06
APPROVED BY BOARD OF DIRECTORS 2-28-12
APPROVED BY BOARD OF DIRECTORS 8-28-18
APPROVED BY BOARD OF DIRECTORS 11-28-23

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19.1 THREE-PHASE SERVICE POLICY

The cooperative will provide three-phase service to any member under the following terms and conditions:

- 1) The member must enter into a written contract for this service.
- 2) The cooperative will extend three-phase service under the terms of the cooperative's Line Extension Policy.
- 3) The applicable rate schedule for member's three-phase service shall dictate minimum billing charges and provision of service restrictions.
- 4) The cooperative will furnish, install, and maintain the metering equipment, including meter loop, current transformers and meter to the member at a meter loop charge determined by the size and voltage of the service.
- 5) The member will provide, install, and maintain the necessary material, including the wiring from the point of interconnection with the cooperative system to the service load center and equipment. The cooperative shall make the connections of the member's wiring to the cooperative's transformer or secondary equipment. The cooperative does not install or maintain three-phase underground secondary or service wires. Wiring must meet most recent National Electrical Code at the time of installation and the cooperative's wiring specifications and recommendations.
- 6) New three-phase services should be wired for wye primary – wye secondary configurations and offer either 120/208V or 277/480V service. When revamping a wye primary – delta secondary service, whether it be 120/240V or corner-grounded 480V service, an effort should be made to convert to wye primary – wye secondary 120/208V or 277/480V service when practical.
 - a. If cooperative reconfigures the secondary side of an existing transformer bank, cooperative will compensate member an amount equal to the lesser of: (i) \$125.00, or (ii) one-half of member's costs to convert the secondary side of an existing three-phase delta secondary service to a wye secondary service. Compensation will be issued to member in the form of a bill credit, provided:
 - i. Member utilizes a qualified electrician approved by the cooperative, and
 - ii. Member submits to the cooperative a copy of the original itemized invoice clearly indicating the costs (labor and material) for secondary service work performed at member's three-phase service location.

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19.2 THREE-PHASE SERVICE POLICY

- b. Compensation to the member for secondary-side conversions is not available if, in the cooperative's sole opinion, the transformer(s) serving member must be replaced in response to member's request for a service upgrade or downgrade.
 - c. Compensation to the member shall not include costs associated with electrical maintenance work unrelated to the secondary side service conversion.
- 7) Members requiring a new service at an existing three-phase wye primary – delta secondary service location shall be responsible for member's share of all costs in accordance with the cooperative's Line Extension Policy. Such costs include cost to reconfigure cooperative's transformer bank and cost for the new service.
- 8) Cooperative approval is required for the following installations:
- a. New wye primary – delta secondary services 120/240V or corner-grounded 480V, and
 - b. Primary-metered three-phase 7.2kV/12.47kV wye service configurations.

APPROVED BY BOARD OF DIRECTORS 3-24-86

1ST REVISION BY BOARD OF DIRECTORS 4-25-06

2ND REVISION BY BOARD OF DIRECTORS 10-24-06

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 7-24-18

APPROVED BY BOARD OF DIRECTORS 5-28-19

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SECTION IV - Operating Rules for Cooperative Members

20.1 AREA COVERAGE

The cooperative will make electrical service available throughout its service area to any individual or entity applying for membership and agreeing to abide by the By-Laws, rules and regulations of the cooperative.

To assure that this objective is achieved, the cooperative will extend service to any member within its service area under the terms of the cooperative's line extension policy at the rate and minimum charges established in the applicable rate schedules.

This policy is intended to be in accordance with the obligations of the cooperative under the Illinois Electric Supplier Act of 1965.

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1ST REVISION BY BOARD OF DIRECTORS 10-24-06
APPROVED BY BOARD OF DIRECTORS 2-28-12

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SECTION IV - Operating Rules for Cooperative Members

21.1 LINE EXTENSION POLICY

The cooperative will make electrical service available throughout its service area to any individual or entity applying for membership and agreeing to abide by the By-Laws and Rules and Regulations of the cooperative, and who makes payment in advance for the facilities required in accordance with a Construction Cost Fee Schedule approved by the Board of Directors and in effect at the time of construction.

- 1) The cooperative will extend single-phase service to any member within its service area for residential use at the rate and minimum charges established in the applicable rate schedules and when payment of the required contribution in aid of construction is made under the following terms and conditions:
 - a) The load to be served will be a permanent, year-round load.
 - b) The member will pay at least the monthly minimum for one (1) year from the date service is made available by the cooperative and thereafter until cancelled by the member by providing the cooperative at least thirty (30) days written notice.
 - c) Where a line extension is required to provide electricity to a new connection, there shall be furnished by the member, without expense to the cooperative, a suitable right-of-way, properly cleared together with the necessary easements.
 - d) All easements of right-of-way shall be recorded with the respective County Recorder.
- 2) The cooperative will extend single-phase non-residential and three-phase services of any category to any member within its service area at the rates and minimum charges established under the applicable rate schedules and when payment of the required contribution in aid of construction is made under the following terms and conditions:
 - a) The member must enter into a written contract for the required service.
 - b) The member will pay at least the monthly minimum for five (5) years from the date service is made available by the cooperative and thereafter until cancelled by member by providing cooperative at least thirty (30) days written notice.

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21.2 LINE EXTENSION POLICY

- c) Where a line extension is required to provide electricity to a new connection, there shall be furnished by the member, without expense to the cooperative, a suitable right-of-way, properly cleared together with the necessary easements.
- d) All easements of right-of-way shall be recorded with the respective County Recorder.
- e) If the line extension is to serve a large power load (100 KVA or over) the cooperative reserves the right to decide whether an increased minimum, deposit, additional contribution in aid of construction or combination thereof will be used to secure adequate revenue and security for the investment.
- f) If a member pays a line extension (tap) fee to extend a three-phase line a distance of one-half (1/2) mile or more, the member shall enter into a five (5) year contract with the cooperative to become eligible to receive tap reimbursements from the cooperative in amounts equal to \$2,500.00 for each new three-phase service or three-phase line extension (tap) connected subordinate to the original line extension, subject to the following conditions:
 - i) The application for a subordinate connection must be received by the cooperative within the five (5)-year term of the contract.
 - ii) The cooperative will collect tap fees in association with the subordinate connections and reimburse the member who created the original line extension within sixty (60) days of receipt of funds.
 - iii) Reimbursements made to the member shall be in increments of \$2,500.00.
 - iv) Reimbursements made to the member may not total in aggregate more than the original line extension (tap) fee paid to Menard Electric.

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21.3 LINE EXTENSION POLICY

- v) The member acknowledges that if a subordinate three-phase line extension equal to or greater in length than one-half (1/2) mile is connected, the member will thereafter become ineligible for reimbursements in accordance with this Policy from the subordinate line extension in favor of the party connecting the subordinate line extension.

- 3) If the line extension is for a temporary service, the member shall pay in advance the full estimated cost of construction and retirement of the extension, less the estimated value of the materials returned to stock. The cooperative may also require an advanced deposit in the amount of the estimated energy bill under the applicable rate. Payment of the full construction and retirement cost waives the required term of payment of the monthly minimum from the date service is made available. (Temporary service is defined as a service that in the opinion of the cooperative may be of shorter duration than five (5) years.) Oil well services shall be considered temporary.

- 4) An extension of service to a mobile home or house trailer, otherwise considered temporary service, will be considered permanent service according to Section two (2) of this policy if the following requirements are met:
 - a) Site location must be the owned property of the mobile home owner; and
 - b) Mobile home or house trailer must have a permanent pressure water system; and
 - c) Mobile home or house trailer must have an approved sewage system.

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1ST REVISION BY BOARD OF DIRECTORS 10-24-06

2ND REVISION BY BOARD OF DIRECTORS 12-23-08

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 8-22-17

3RD REVISION BY BOARD OF DIRECTORS 3-23-21

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22.1 UNDERGROUND SERVICE POLICY

A) General Requirements For Underground Service

- 1) The cooperative reserves the right to decide the type of underground construction.
- 2) If the cooperative in providing underground service, encounters costs in excess of those which have been estimated on the basis of normal installation, the excess unrecoverable costs shall be paid by the sub-divider/developer or property owner. Although not limited to the same, the following are examples of excess costs:
 - a) Excessive engineering costs, rocky soil, tree clearing, inaccessible terrain or other conditions affecting the cost of construction or installation.
 - b) Safety or legal problems which may be cured by added expenditures of the cooperative.
 - c) Obstructions and hindrances which prevent normal plowing or trenching operations, including those caused by crossing streets, alleys or other difficult areas in the subdivision.
- 3) The cooperative reserves the right to specify the length of secondary services.
- 4) The cooperative reserves the right to determine the meter location. The metering point shall be the beginning of the member owned and installed wiring.
- 5) Estimates of construction costs made by the cooperative shall be valid for ninety (90) days.
- 6) All materials and equipment furnished by the cooperative shall be of a type selected by the cooperative.
- 7) In no event will the cooperative be held responsible for restoration of any trench location.
- 8) The cooperative shall be furnished, without expense, adequate right-of-way, properly cleared of obstructions, together with the necessary easements.

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22.2 UNDERGROUND SERVICE POLICY

B. New Single Phase Underground Service

- 1) Where feasible the cooperative will install underground electrical facilities to a new service under the terms of the cooperative's line extension policy. Where the installation includes 7200 volt primary facilities, payment for construction will be made in advance. Metering facilities will be billed independent of the underground charge.
- 2) Management will review the fees assessed under this Section IV B.1. on a periodic basis. The General Manager is authorized to determine the charges and fees in this policy, and make modifications as appropriate.
- 3) A schedule of the current fees and assessments shall be available at the cooperative office.

C. Service Change From Existing Overhead To Underground

- 1) The member shall pay the complete cost of converting overhead to underground service. Where the conversion includes 7200 volt primary facilities, payment for construction shall be made in advance.
- 2) Additional right-of-way easements, if required, shall be provided by the member for underground facilities.

APPROVED BY BOARD OF DIRECTORS 3-24-86

1st REVISION BY BOARD OF DIRECTORS 7-26-94

2nd REVISION BY BOARD OF DIRECTORS 5-24-05

3rd REVISION BY BOARD OF DIRECTORS 10-24-06

4th REVISION BY BOARD OF DIRECTORS 04-24-07

APPROVED BY BOARD OF DIRECTORS 2-28-12

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23.1 MOBILE HOME OR TRAILER ENTRANCE REQUIREMENTS

Permanently located mobile homes or house trailers requiring service from the cooperative shall satisfy the following requirements before connection is made:

1. Conduit of required size shall house the service entrance conductors from the meter loop on the service pole so as to provide mechanical protection to a minimum of eighteen (18) inches below ground level.
2. Service entrance conductors shall be of the underground type buried at a depth of not less than eighteen (18) inches.
3. Mechanical protection shall be provided from eighteen (18) inches below the surface to the point of contact at mobile home.
4. Service entrance conductors to the mobile home shall be of sufficient size to carry the potential full load.
5. Meter loop of a minimum of 100 amp capacity shall be installed on all permanently located mobile homes.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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24.1 CONNECTED MOTOR EVALUATION REQUIREMENT

In order to minimize power quality disturbances on the electric system, ensure adequate system capacity, and maintain voltage drop and flicker within acceptable limits, the Cooperative shall evaluate the effect of motor loads prior to interconnection.

Motors sized fifty (50) horsepower or larger interconnecting to three-phase facilities, and motors sized ten (10) horsepower or larger interconnecting to single-phase facilities will be evaluated. The Cooperative reserves the right to evaluate motors sized less than these thresholds when the interconnection location is in an area or impacts an area with limited capacity.

If the evaluation results in the need for improvements to the Cooperative's electric system, a quote for the member's contribution in aid of construction will be developed in accordance with the Construction Fee Schedule in effect at the time of connection, and such quote communicated and/or delivered to the requesting member. To the extent the Cooperative requires additional equipment to accommodate the motor load, including but not limited to the use of soft-start devices and/or power factor correction equipment, the member shall be responsible for the installation and ongoing maintenance of such equipment.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 8-23-22

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SECTION IV

25.1 ALL RATE SCHEDULES

See rate page <https://www.menard.com/rates>

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SECTION IV - Operating Rules for Cooperative Members

26.1 MEMBERSHIP FEE

In accordance with the By-Laws, a \$25.00 membership fee is required with all applications for membership by non-members. This fee must be paid and proper application form completed before consideration will be given to the prospective member for electrical service.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

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28.1 SECURITY DEPOSIT

1) Security Deposit determination for new members:

- a) At the discretion of the cooperative, a security deposit of \$250 or one-sixth (1/6) of the estimated annual energy charges for each service location is required from each member prior to installation or connection of a single-phase residential account.
- b) At the discretion of the cooperative, a security deposit of \$250, or one-third (1/3) of the estimated annual energy charges for each service location is required from each member prior to installation or connection of irrigation, three-phase or commercial energy accounts.
- c) The cooperative will utilize the Online Utility Exchange service to determine a member's credit risk. The security deposit requirements for each member requesting service will be based on the following criteria indicators. New members refusing to provide a social security number for assessment will be required to post a security deposit representative of twice the Red "high-risk" indicator.

Online Utility Exchange Deposit Decision Indicator	Required Security Deposit
Red	The greater of: (i) \$250, or (ii) one-sixth (1/6) or one-third (1/3) of the estimated annual energy charges, as described above for account applicability
Yellow	\$250
Green	\$0 (deposit waived)

- d) The cooperative shall provide members whose Deposit Decision Indicator reports Red or Yellow a copy of the Adverse Letter available from the Exchange explaining the determination.

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28.2 SECURITY DEPOSIT

2) Security Deposit determination for prior and current members:

- a) Members who have received service from Menard Electric Cooperative in the past and have a past due balance or have had amounts written-off, and who are requesting installation, re-connection or connection of an energy account, are automatically required to make a security deposit in accordance with the criteria above as well as make payment in full to settle the past debt.
- b) Current active members who have no security deposit on file and are subject to collections for past due energy bills or other charges will be required to provide the Cooperative with a security deposit in accordance with the criteria above as instructed by the Cooperative, but not necessarily at the time the cooperative employee visits the service location for collections or re-connection.
- c) Current active members who file Bankruptcy are required to make a deposit in an amount equal to the greater of (i) \$250, or (ii) one-sixth (1/6) the estimated annual energy charge for each active residential service or one-third (1/3) the estimated annual energy charge for each active nonresidential service.

3) Security Deposit refunds:

- a) The security deposit collected due to Bankruptcy will be refunded only toward the settlement of the final energy bill.
- b) All other security deposits collected by the cooperative will be refunded during the 25th month after acceptable payment history has been demonstrated. For purposes of this Policy, acceptable payment history shall be generally defined as the most recent twelve (12) month payment record being free of Late Fees, penalty charges, and collection visits to a service location by a cooperative employee.
- c) The cooperative may choose to apply the security deposit refund as a credit to active accounts or to issue a refund check.

APPROVED BY BOARD OF DIRECTORS 3-24-86

1st REVISION BY BOARD OF DIRECTORS 6-22-87

REVIEWED BY BOARD OF DIRECTORS 7-28-98

2nd REVISION BY BOARD OF DIRECTORS 2-25-03

3rd REVISION BY BOARD OF DIRECTORS 7-27-04

4th REVISION BY BOARD OF DIRECTORS 1-30-07

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APPROVED BY BOARD OF DIRECTORS 08-22-17

5th REVISION BY BOARD OF DIRECTORS 02-27-2020

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30.1 COLLECTION CHARGE

A Collection Charge will be assessed in the amount of \$75.00 when a service is subject to disconnection for non-pay and cooperative personnel are dispatched for collections, whether remotely or physically.

APPROVED BY BOARD OF DIRECTORS 3-24-86

1st REVISION BY BOARD OF DIRECTORS 8-25-98

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 1-24-23 (Effective 5-1-23)

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31.1 BAD CHECK PROCESSING

A \$25.00 charge will be added to the member's account for checks returned as "Insufficient Funds", "Account Closed", "Uncollected Funds", or "Payment Stopped."

A notice will be mailed to the member stating the check amount and reason for return. The notice shall state clearly that the check amount and charge must be redeemed at the cooperative office with cash, certified check or money order within five (5) business days.

If member fails to make restitution as instructed in the notice, an employee will be sent without further notice to effect collection of the amount of the check and appropriate collection charges. If the amount of the check and charges are not paid, the member's account will be disconnected in accordance with the cooperative's right to discontinue service (Continuity and Discontinuance of Service Policy).

The cooperative reserves the right to no longer accept checks from a member after presentation of two (2) checks within a six (6) month period being returned as "Insufficient Funds", "Account Closed", "Uncollected Funds", or "Payment Stopped," regardless of whether the member made restitution in accordance with the cooperative's notices in each case. The cooperative shall reconsider the acceptance of a check from such members after 24 months of acceptable payment history has been demonstrated. For purposes of this Policy, acceptable payment history shall be generally defined as the most recent twelve (12) month payment record being free of Late Fees, penalty charges, and collection visits to a service location by a cooperative employee.

ADOPTED BY BOARD OF DIRECTORS 3-24-86

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2nd REVISION BY BOARD OF DIRECTORS 11-28-88

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 2-27-2020

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32.1 RECONNECTION CHARGE

When a service is disconnected for non-pay and reconnected for the use of the most recently disconnected member at the same premises, either remotely or physically, a \$75.00 Reconnection Charge will be assessed. When service is reconnected during overtime hours, the Overtime Service Connections Policy will apply.

When service is disconnected for the convenience of the member and reconnected, either remotely or physically, within eighteen (18) months for the use of the most recently disconnected member or an immediate family member at the same premises, a trip charge equal to twice the Reconnection Charge will be assessed. In addition, the monthly minimum (facility) charge for the service will be collected for up to a maximum of three (3) months. When service is reconnected during overtime hours, the Overtime Service Connections Policy will apply.

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1st REVISION BY BOARD OF DIRECTORS 8-25-98

2nd REVISION BY BOARD OF DIRECTORS 02-27-07

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

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APPROVED BY BOARD OF DIRECTORS 1-24-23 (Effective 5-1-23)

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33.1 RECONNECTION OF MEMBERS

Any inactive member who received service from the cooperative and who applies for re-connection shall be responsible for paying all said member's debt owed to the cooperative prior to receiving service.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 8-22-23

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34.1 OUTDOOR LIGHT CONSTRUCTION AND RECONNECTION CHARGES

Where additional facilities are needed for the installation of an outdoor light a construction charge shall be paid by the member. All engineering decisions shall be made by the cooperative. Current schedule of construction charges available on request. The cooperative shall retain ownership of all facilities constructed for this purpose.

When an Outdoor Light is reconnected, for the benefit of the most recently disconnected member at the same premises within a twelve (12) month period, a Reconnect Charge of \$75.00 will be assessed. If temporary disconnection of the Outdoor Light is made for the convenience of the member, no reconnection charge will be assessed; however, the monthly billing will continue.

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1ST REVISION BY BOARD OF DIRECTORS 10-27-98

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 1-24-23 (Effective 5-1-23)

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35.1 OVERTIME SERVICE CONNECTIONS

Any service connection during overtime hours will be charged an Overtime Reconnect Charge of \$125.00 in addition to all other charges required during regular working hours.

For any service connection request made prior to 4:00 p.m. Monday through Friday, the Overtime Reconnect Charge will not apply when the employee making the service connection will have continuous duty after 4:30 p.m.

Overtime connections are limited to before 8:00 p.m. Monday through Friday, and between 8:00 a.m. and 8:00 p.m. Saturday, Sundays and Holidays. Service connections are not available between 8:00 p.m. to 8:00 a.m. any day.

APPROVED BY BOARD OF DIRECTORS 3-24-86

1st REVISION BY BOARD OF DIRECTORS 8-25-98

2nd REVISION BY BOARD OF DIRECTORS 1-30-07

APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 1-24-23 (Effective 5-1-23)

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SECTION IV - Operating Rules for Cooperative Members

36.1 METER TESTING

A member requesting a meter test for accuracy will be required to pay a \$125.00 test fee to the cooperative.

If the test shows the meter to be more than two percent (2%) inaccurate, the test fee will be refunded and the most recent three (3) energy bills adjusted to compensate for the inaccuracy of the meter. If the test shows the meter to be at or within two percent (2%) accurate, the test fee will be retained by the cooperative.

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APPROVED BY BOARD OF DIRECTORS 2-28-12 (Effective 7-1-12)

APPROVED BY BOARD OF DIRECTORS 1-24-23

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SECTION IV - Operating Rule for Cooperative Members

37.1 MOVING OR REMOVING FACILITIES FOR CONVENIENCE OF OTHERS

When cooperative facilities are removed or relocated at the request of others, and there is no substantial benefit to the cooperative, the cost to the party making the request will be 50% of the net cost of the project (sum of the cost of construction, plus retirement, less salvaged materials) with the estimated amount paid in advance. The party making the request for alteration of the electric facilities will also be required to secure adequate rights-of-way for the use of the cooperative and clear rights-of-way to the cooperative's specifications to accommodate the new facilities.

APPROVED BY BOARD OF DIRECTORS 3-24-86

1st REVISION BY BOARD OF DIRECTORS 10-24-06

APPROVED BY BOARD OF DIRECTORS 2-28-12

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38.1 MOVING OR REMOVING FACILITIES TO ELIMINATE A HAZARD

When cooperative facilities are removed or relocated to eliminate a hazard or a potential hazard, the cost to the party causing the necessary change in facilities will be 50% of the net cost of the project (sum of the cost of construction, plus retirement, less salvaged materials). The party causing the need for alteration of the electric facilities will also be required to secure adequate rights-of-way for the use of the cooperative and clear rights-of-way to the cooperative's specifications to accommodate the new facilities.

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1st REVISION BY BOARD OF DIRECTORS 10-24-06

APPROVED BY BOARD OF DIRECTORS 2-28-12

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39.1 CONTINUITY AND DISCONTINUANCE OF SERVICE

1) Service Continuity.

a) Regularity of Supply:

The cooperative will use reasonable diligence to provide and maintain uninterrupted service; but in case of cessation, deficiency, variation in voltage, or any other failure or reversal of the service, resulting from natural disasters, public enemies, accidents, strikes, riots, wars, repairs, orders of the court or other acts reasonably beyond the control of the cooperative, it shall not be liable for damages direct or consequential, resulting from such interruption or failure.

b) Notice of Trouble:

The member should give notice as soon as possible to the cooperative of any interruptions, irregularities or unsatisfactory service and of any electric system defect known to the member.

2) Cooperative's Right to Discontinue Service.

a) Without Notice.

The cooperative reserves the right to discontinue the supply of electric service to any member or members without notice for any of the following reasons:

- i) For fraudulent representation as to use of electric service.
- ii) Disapproval by the cooperative of members' equipment or installation on account of defects or hazardous conditions.
- iii) For emergency operations or repairs.
- iv) For unavoidable outages or interruptions in the cooperative's source of supply.
- v) Whenever such action is necessary to protect the cooperative from fraud or abuse.
- vi) Upon cancellation of account or contract.

b) With Reasonable Notice.

The cooperative reserves the right to discontinue service on reasonable notice:

- i) For non-payment of bill or any other indebtedness.
- ii) If entry to cooperative meter or meters is refused or if access thereto is obstructed or hazardous.
- iii) If the Bylaws of the cooperative are violated.
- iv) If the Rules and Regulations of the cooperative are violated.

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SECTION IV - Operating Rules for Cooperative Members

39.2 CONTINUITY AND DISCONTINUANCE OF SERVICE

3) Cooperative's Process to Disconnect for Non-Payment.

a) Disconnect Notice:

- i) A Disconnect Notice will be mailed on the first business day of the month to members whose account is past due.
- ii) The Disconnect Notice will indicate the amount past due, provide the member ten (10) calendar days to make payment to the cooperative, and clearly state the cooperative's intention to disconnect service if payment is not received.
- iii) If the past due amount has not been received at the cooperative office by the due date indicated on the Disconnect Notice, the collection process will begin.

b) Collection Process:

- i) The first business day following the due date on the Disconnect Notice, a cutoff ticket will be generated by the cooperative for all active electric accounts in arrears.
- ii) The cooperative will attempt to contact members by phone if the active electric account has not been in arrears during either of the most recent two (2) months. Such call shall be made, and the results documented, no less than forty-eight (48) hours prior to dispatching a lineman for collections or service disconnection.
 1. If the member service representative is not able to reach a live person or leave a message on a recording device, then another attempt to reach member by phone will be made and the results documented no less than twenty-four (24) hours prior to lineman being dispatched to collect or disconnect service.
 2. If the member service representative does reach a live person by phone, payment shall not be requested or taken by the calling representative. Member shall be advised of the various payment submittal methods and the applicable urgent deadline.
- iii) The cooperative shall dispatch all cutoff tickets to a lineman for collections or service disconnection. Members who pay the amount in arrears in the field shall be provided a receipt by the lineman.

c) Arrangements:

- i) If the member is not able to pay the amount in arrears by the due date on the Disconnect Notice, the cooperative may enter into an arrangement with the member given the following guidelines:

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SECTION IV - Operating Rules for Cooperative Members

39.3 CONTINUITY AND DISCONTINUANCE OF SERVICE

1. Account Criteria:

- The cooperative shall extend an arrangement to members whose active electric account has not been in the Collections Process during the most recent six (6) months.
- Further, the cooperative shall extend an arrangement to members who have not sought an arrangement in the most recent six (6) months.

2. Arrangement Amount and Timing Criteria:

- The cooperative shall seek payment in full of the amount in arrears before the current billing cycle due date (28th of the month).
 - If payment in full by the 28th is not possible, the member shall commit to paying the amount in arrears in accordance with a series of scheduled minimum payments over a period of time not to exceed four (4) months, at the sole discretion of the cooperative.
 - During any scheduled payment period, Late Fees in accordance with the cooperative's Policy on Billing and Terms of Payment shall be applied.
 - During any scheduled payment period, failure by member to remain current with energy bills not related to the Arrangement may result in the active electric account reverting to the Collections Process.
- ii) An arrangement must include receipt of specified funds by the cooperative prior to a specified date and time. Statements by member regarding the placement of payment in the USPS shall not constitute an arrangement.
- iii) Member service representative shall document on member's account the date arrangement was entered, the person with whom arrangement was made, and the schedule of payments arranged (amounts and dates/times due).
- iv) If member fails to fulfill on provisions or terms of the arrangement, a cutoff ticket will be issued to the lineman in accordance with the Collections Process.
- v) The cooperative will not enter into an arrangement following the disconnection of service. Reconnection of service will require payment in full of the amount in arrears.

4) Extreme Temperature and Weather Warning Prohibitions.

The Petersburg, IL weather station point shall be the indicating temperature forecast and weather warning location for the cooperative service territory during the following extreme temperature and weather warning prohibitions for disconnection of service to residential members for non-payment.

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39.4 CONTINUITY AND DISCONTINUANCE OF SERVICE

a) During Cold Weather.

Termination of electric service for non-payment by residential members where electricity is used as the only heating source is prohibited:

- i) On any day when the National Weather Service forecast for the following twenty-four (24) hours includes a real-feel temperature forecast equal to thirty-two (32) degrees Fahrenheit or below.
- ii) On any day preceding a holiday or weekend when the National Weather Service forecast includes a real-feel temperature forecast equal to thirty-two (32) degrees Fahrenheit or below at any time during the holiday or weekend.

b) During Hot Weather.

Termination of electric service for non-payment by residential members where electricity is used as the only source of space cooling or to control or operate the only space cooling equipment is prohibited at the discretion of the General Manager:

- i) On any day when the National Weather Service forecast for the following twenty-four (24) hours includes a heat index forecast equal to ninety-eight (98) degrees Fahrenheit or above.
- ii) On any day preceding a holiday or weekend when the National Weather Service forecast includes a heat-index temperature forecast equal to ninety-eight (98) degrees Fahrenheit or above at any time during the holiday or weekend.
- iii) During any hours when the National Weather Service has issued an excessive heat watch, heat advisory, or excessive heat warning.

c) Use of a Load Limiting Meter:

- i) During the extreme temperature forecast and weather warning conditions described herein, the cooperative may install, utilize and engage a load limiting meter at member's service location to control excessive electric usage during periods when disconnection of service due to non-payment would otherwise be applied.
- ii) Instructions on how to operate the load limiting meter will be provided to and reviewed with the member at the service location by the lineman.
- iii) The load limiting function will be disengaged at the service location following:
 1. Payment in full to the cooperative of all amounts in arrears.
 2. A return to non-extreme weather.

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39.5 CONTINUITY AND DISCONTINUANCE OF SERVICE

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 5-28-19 (Effective Billing: 7-01-19)

1ST REVISION APPROVED BY BOARD OF DIRECTORS 11-28-23 (Effective: 01-01-24)

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40.1 SERVICE CHANGE FROM EXISTING OVERHEAD TO UNDERGROUND

- 1) The member shall pay the complete cost in advance for converting overhead to underground service with credit being given for salvageable materials.
- 2) Additional right-of-way easements, if required, shall be provided by the member for underground facilities.
- 3) Where there is an existing overhead cooperative line and a member or other entity enlarges the use of service so as to create a safety problem and increase the cooperative's exposure to liability, the member or other entity shall pay the complete cost in advance for converting the overhead to underground service with credit being given for salvageable materials. Should such member or other entity that has created the safety problem fail to make advance payment of such expenses within a reasonable time after being requested to do so, then the cooperative shall undertake appropriate actions to eliminate the safety problem. The cooperative shall then invoice the responsible member or other entity for all costs associated with correcting the safety problem.

APPROVED BY BOARD OF DIRECTORS 3-24-86

APPROVED BY BOARD OF DIRECTORS 2-28-12

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41.1 ELECTRICAL SYSTEM RELIABILITY

Menard Electric Cooperative strives to maintain the highest possible electric system reliability for our members. System reliability standards require that the cooperative deliver energy service at acceptable voltage levels, over a distribution system that is properly sized to meet the load requirements of our members, and to provide continuous service so that any outages or interruptions are kept to a minimum.

When a reliability problem is identified that can cause a deterioration of system reliability, the cooperative will make every effort to correct the problem situation, so that as high a level of system reliability, that is practical, can be maintained.

If a member's actions or the member's facilities are causing a deterioration in electrical system reliability that is adversely affecting the electric service to other members, the following corrective action should be initiated.

Step 1: Verbal Request

A cooperative employee will contact the member to discuss the nature of the reliability problem and the perceived cause, so that the member can be fully informed as to the need for corrective action, as well as what corrective action the member is required to complete. The member is expected to commit to a reasonable schedule that fully addresses the action the member needs to complete in order to correct the member caused reliability deficiency.

Step 2: Written Request

Should the member not agree with the need for corrective action, or fails to meet the initial schedule for completing corrective action, then a cooperative employee will provide the member with a written outline of the nature of the electrical reliability problem, the corrective action that the member was requested to complete, and a revised schedule that the member is expected to meet that should solve the member caused reliability deficiency.

Step 3: Cost to Member of Cooperative's Modifications

In the event that the member fails to take the necessary corrective action that was directed in the written request, the cooperative will notify the member of the modifications to the facilities that the cooperative will make to correct the electric reliability problems being caused by the member. The cost of the modifications performed by the cooperative to correct the member caused electric system reliability deficiency will be billed to the member.

APPROVED BY BOARD OF DIRECTORS 11-23-2004

APPROVED BY BOARD OF DIRECTORS 2-28-12

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42.1 STREET LIGHTING

A) Objective

To specify the terms and conditions for the provision of street lighting for any land developer within the Cooperative's service territory.

B) Provisions

- 1) The Cooperative will install and maintain the developer's choice of wood or fiberglass poles and standard security lighting fixtures for street lighting purposes. The developer shall reimburse the Cooperative for its cost of installation of the lighting system. This street lighting will be connected to the Cooperative's electrical system without being metered. Energy usage will be billed according to the Cooperative's Rate Schedule OL-1.
- 2) The Cooperative will install and maintain ornamental light fixtures on fiberglass poles for area lighting purposes. The developer shall reimburse the Cooperative for its cost of installation of the lighting system. This area lighting will be connected to the Cooperative's electrical system without being metered. Energy usage will be billed according to the Cooperative's Rate Schedule OL-1.
- 3) The developer may install another street lighting system of their choice. In this case, the developer will be responsible for installation and maintenance of the lighting system. The lighting system will be metered with the energy usage and facility charge billed according to the Cooperative's Rate Schedule 60: "Commercial and Power Service: No Demand."

APPROVED BY BOARD OF DIRECTORS 10-25-05

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 8-22-23

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43.1 REMOVAL OF INACTIVE ELECTRICAL FACILITIES

The cooperative maintains the right to remove any facilities which are no longer used to provide electrical service. At the discretion of the cooperative, these facilities will be removed if they are no longer being actively used to provide electrical service and/or:

- a) the facilities are creating a safety hazard to individuals or property, or a liability for the cooperative;
- b) the facilities are in need of normal maintenance such as pole inspection or tree trimming;
- c) the facilities are damaged and in need of repair or replacement;
- d) the facilities are creating a reliability problem due to exposure to storms or other elements;
- e) the facilities are in the way of changes or improvements to the adjacent property; or
- f) the facilities create other reliability or financial problems for the cooperative.

When the cooperative decides to remove facilities which are no longer used to provide electrical service to an individual property or member, the cooperative will attempt to notify the property owner or member of its decision to remove the facilities. If the property owner or member wishes to leave the facilities in place, he or she will be required to establish an active electrical service account for the facilities, pay member-share of requested upgrades or necessary repairs, and pay at least the minimum monthly applicable service charge.

APPROVED BY BOARD OF DIRECTORS 04-24-07

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 8-23-22

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44.1 SERVICE TO RESIDENTIAL SUBDIVISIONS

A subdivision is defined as a development of eight (8) or more contiguous lots for which a plat has been made, approved by local planning or zoning boards, as required and recorded in the office of the county clerk.

The cooperative will provide electrical distribution in proposed subdivisions under the following conditions:

- 1) A copy of the recorded plat as described above shall be furnished to the cooperative showing all lot lines, adjoining roads, streets, and other utility easements therein.
- 2) The cooperative will engineer the electrical distribution system that will provide service to the subdivision and reserves the right to determine the type of construction and location of equipment to be installed.
- 3) All materials and equipment furnished by the cooperative shall be of a type selected by the cooperative.
- 4) The cooperative reserves the right to approve all meter locations and to specify the length of all secondary services.
- 5) The metering point shall be the end of the cooperative's responsibility and the beginning of the member owned and installed wiring.
- 6) The sub-divider/developer shall furnish the cooperative, without expense, adequate rights-of-way and necessary easements, properly cleared of any obstructions, for installation of the cooperative's electrical distribution system.
- 7) The sub-divider/developer shall bring all rights-of-way and easements for the electrical distribution system to final grade and provide the cooperative with evidence of same before work will begin.
- 8) In no event will the cooperative be held responsible for restoration of any trench location if the distribution system is installed underground.
- 9) The sub-divider/developer will be responsible for the construction cost of the electrical distribution system to provide service to each lot within the subdivision. This includes the poles, anchors, primary and secondary conductors, transformers, etc. if the distribution system is installed overhead; or the trench, primary and secondary cable, pads, distribution transformers, primary cabinets, vaults, etc. if the distribution system is installed underground.

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44.2 SERVICE TO RESIDENTIAL SUBDIVISIONS

- 10) If the cooperative, in providing electrical distribution, encounters costs in excess of those which have been estimated on the basis of normal installation, the excess unrecoverable costs shall be paid by the sub-divider/developer or property owner. Although not limited to the same, the following are examples of excess costs:
 - a) Excessive engineering costs, rocky soil, tree clearing, boring, inaccessible terrain or other conditions affecting the cost of construction or installation.
 - b) Safety or legal problems which may be cured by added expenditures of the cooperative.
 - c) Obstructions and hindrances which prevent normal plowing or trenching operations, including those caused by crossing streets, alleys or other difficult areas in the subdivision.
- 11) Estimates of construction costs made by the cooperative shall be valid for ninety (90) days.
- 12) The sub-divider/developer shall enter into a standard contract with the cooperative for installation of electrical distribution system within the subdivision.
- 13) The sub-divider/developer shall make an advance deposit as a contribution in aid of construction. This deposit will be in the amounts noted within the Construction Cost Fee Schedule approved by the Board of Directors and in effect at the time. The deposit and any associated refund will be made under the terms and provisions of paragraph fourteen (14) below.
- 14)
 - a) If the average overhead conductor and/or underground cable route footage for the lots within the subdivision is 125 feet/lot or less, deposits and refunds will be in the amounts noted within the Construction Cost Fee Schedule. If the average overhead conductor and/or underground cable route footage for the lots within the subdivision is in excess of 125 feet/lot, the developer's deposit shall also include the cost of the additional facilities, however the developer will not be eligible for any additional refund.

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44.3 SERVICE TO RESIDENTIAL SUBDIVISIONS

- b) Refunds will be made annually in January following the year that each permanent residential service is installed in accordance with the declining refund tier below, provided that such services are installed within ten (10) years from the date of deposit. The balance of any deposit remaining at the end of the ten (10) year period shall become the property of the cooperative. The cooperative will not pay interest on any deposits or refund any amount in excess of the refund amount designated in the original subdivision contract.

<u>Percent Refund</u>	<u>Years following Deposit</u>
100%	1 – 5
85%	6
70%	7
55%	8
40%	9
25%	10

APPROVED BY BOARD OF DIRECTORS 04-24-07

APPROVED BY BOARD OF DIRECTORS 02-28-12

APPROVED BY BOARD OF DIRECTORS 08-22-17

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45.1 DISTRIBUTION LINE DESIGN CRITERIA

- 1) It is the policy of Menard Electric Cooperative to design all new and rebuilt distribution lines to meet the requirements of the National Electrical Safety Code (NESC) and the Rural Utilities Service (RUS) Standards.
- 2) All new construction will be designed according to NESC Grade C construction, Heavy Loading District.
- 3) All new primary road crossings shall be designed to NESC Grade B Construction, Heavy Loading District.
- 4) All new construction will be designed to RUS 7.2/12.47 KV Construction Standards.
- 5) All new three phase primary lines with conductors larger than #1/0 ACSR will be installed using saddle pins on the crossarm.
- 6) All new primary construction will be installed overhead except where underground construction is required to comply with governmental or environmental regulations, local restrictions, favorable economic conditions or customer contribution.
- 7) Three phase primary lines shall be grounded at each unguyed pole. Single phase primary lines shall have at least four pole grounds per mile. All down guys shall be uninsulated and bonded to the system neutral.
- 8) Line arrestors shall be placed at intervals of no more than one mile on new three phase and single phase primary lines.
- 9) The minimum pole height and class for new primary construction shall be 35' class 5.
- 10) It is the goal of the cooperative to replace existing lines:
 - a) if poles or crossarms are found to be physically deteriorated by visual inspection and/or test;
 - b) if overhead conductors are old, are in poor condition, have an excessive number of splices or an excessive amount of sag;
 - c) if underground cable has experienced a number of failures or has an excessive number of splices;

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45.2 DISTRIBUTION LINE DESIGN CRITERIA

- d) if overhead conductors are steel or Copperweld and serve a number of services;
- e) if overhead conductors are found to be unsafe or in violation (when constructed) of the National Electrical Safety Code.

11) If a primary phase wire or wires are replaced the neutral conductor will be replaced also.

12) Standard overhead conductors to be used for new primary construction will be #2 ACSR, #1/0 ACSR and #4/0 ACSR, except where conditions dictate use of a different type or size of conductor. Standard underground cable to be used for new primary construction will be #4/0 Alum.-Jacketed Concentric Neutral.

APPROVED BY BOARD OF DIRECTORS 01-22-08

APPROVED BY BOARD OF DIRECTORS 2-28-12

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46.1 INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

Objective

To establish safety, reliability and economic standards for interconnection and parallel operation of member-owned distributed generation facilities designed primarily to offset the member's electrical requirements while honoring the Cooperative's obligation to provide electricity to all members on a cooperative basis, and which may encourage the development of member-owned on-site electric generation facilities using renewable fuel sources.

Definitions

Distributed Generation is defined as any electric generation built within close proximity to the interconnecting member's load regardless of energy source, including, but is not limited to:

- 1) environmentally friendly generators such as solar photovoltaics (PV), fuel cells, and wind turbines;
- 2) micro-turbines or reciprocating engines fueled by renewable fuels such as landfill gas or methane gas from digesters;
- 3) any certified qualifying facility (QF) that meets the operational, efficiency, ownership and other standards under the Public Utility Regulatory Policies Act of 1978 (PURPA); and,
- 4) any on-site generation designed to operate in parallel with the Cooperative's distribution system.

ANSI Standard C84.1 means the American National Standards Institute (ANSI) Standard C84.1 (2011) for "Electric Power Systems and Equipment – Voltage Ratings (60 Hz)", as amended and supplemented, at the time the interconnection request is submitted.

IEEE Standard 1547 means the Institute of Electrical and Electronic Engineers, Inc. (IEEE) Standard 1547 (2003) "Standard for Interconnecting Distributed Resources with Electric Power Systems", as amended and supplemented, at the time the interconnection request is submitted.

IEEE Standard 1547.1 means the IEEE Standard 1547.1 (2005) "Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems", as amended and supplemented, at the time the interconnection request is submitted.

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46.2 INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

Interconnection means the physical electrical connection interface between two electrical systems owned by different parties.

MISO means the Midwest Independent System Operator, Inc., or its successors in interest.

Nameplate Rating means the maximum electric energy production capability of a generator, specified in kilowatts, as stated on the generator device placard(s), nameplate(s), or in the manufacturer's specifications, prior to any power inverter device(s).

Parallel Operation means operation of alternating current electrical generation in electrical synchronism with the voltage and frequency of the grid in a manner consistent with applicable electrical codes and standards and in accordance with good utility practice.

Queue Date means the date and time corresponding to when the Cooperative deems an interconnection request to be complete and subsequently enters the queue for analysis.

UL Standard 1741 means the Underwriters Laboratories' standard titled "Inverters, Converters, and Controllers for Use in Independent Power Systems", November 7, 2005 edition, as amended and supplemented, at the time the interconnection application request is submitted.

Witness Test means, for lab-certified or field-approved equipment, verification by the Cooperative (either by an on-site observation or review of documents) that the Distributed Generation evaluation required by IEEE Standard 1547 Clause 11.2.4 and the commissioning tests and verifications required by IEEE Standard 1547 Clause 11.2.5 have been adequately performed. All tests verified by the Cooperative are to be performed in accordance with the test procedures specified by IEEE Standard 1547.1.

Applicability

This interconnection Policy applies to Cooperative members proposing to install and interconnect Distributed Generation facilities that:

- A. Have a Nameplate Rating equal to or less than 100 kW;
- B. Are not subject to the Interconnection requirements of MISO; and,
- C. Are designed for Parallel Operation with the electric distribution system.

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46.3 INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

Interconnection Requests

- 1) Members seeking an Interconnection with the Cooperative's electric distribution system shall submit an interconnection request to the Cooperative comprised of the following documents:
 - Attachment A-1 – Member Interconnection Application
 - Attachment A-2 – Distributed Generation General Description and Electrical Characteristics
- 2) The interconnection request shall be reviewed by the Cooperative for completeness. Once deemed by the Cooperative to be complete, member shall be provided a fully-executed copy of Attachment A-1 establishing the Queue Date for the Distributed Generation system. Interconnection requests shall be evaluated for their impact to the Cooperative's electric distribution system in the order of the Queue Date.
- 3) Each interconnection request will include (i) a review of the protection schemes of both the proposed Distributed Generation and the Cooperative's electric system, and (ii) a voltage coordination study. No installation of Distributed Generation will be permitted that:
 - Reduces reliability to other members;
 - Causes voltage conditions on the system to be outside of the limits of ANSI C84.1 Range A;
 - Creates a safety concern or hazard to the public or Cooperative personnel; or,
 - Is expected to produce objectionable harmonics on the Cooperative's distribution system.
- 4) The Cooperative shall communicate in writing to the member within twenty (20) business days of the Queue Date any upgrades, improvements, additions, enhancements or operational restrictions to the electric distribution system necessary to accommodate the Interconnection, including a cost estimate to facilitate or mitigate such requirement. When possible, the Construction Cost Fee Schedule approved by the Board of Directors in effect on the Queue Date will be utilized and a copy provided to the member for consideration.
 - i. Construction cost estimates shall be valid for no longer than ninety (90) calendar days from the Queue Date.

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46.4 INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

- ii. Member shall be responsible for 100% of all costs to safely provide the Interconnection, including but not limited to the Coop's basic construction charge, additional metering charges, and costs for distribution equipment or facilities.
 - iii. Member's payment of Construction Costs shall be construed as aid to construction only, and member shall not acquire any ownership interest in the metering, wiring, safety devices, or other equipment installed by the Cooperative at member's site.
 - iv. Failure by the member to place funds with the Cooperative in the timeframe mutually agreed upon (plus an additional thirty calendar days) shall result in the interconnection request being cancelled and voided by the Cooperative. A desire by the member to renew the interconnection request at a later date will be deemed an entirely new interconnection request.
- 5) The Cooperative is responsible for determining, in its sole judgment, if there is a likelihood of material electrical impact to a third-party utility electrical system due to the Interconnection of member's Distributed Generation. If judged affirmatively, Cooperative will arrange for discussions with the third-party utility. Member will be responsible for all costs related to the third-party utility's analyses, if any.

Installation, Construction and Inspection

- 1) At the sole discretion of the Cooperative, the Cooperative shall provide the member with certain requirements and related specifications pertaining to the design and construction of the Interconnection as it regards the scope of work. Such specifications may include certain electrical protection schemes, voltage coordination arrangements, or other considerations in keeping with good utility practice, including but not limited to Interconnection equipment being lab-certified, meaning the equipment has been evaluated by a nationally recognized testing laboratory (NRTL) and found to be in compliance with IEEE Standard 1547, IEEE Standard 1547.1, UL 1741, National Electrical Safety Code and NFPA 70 National Electrical Code.
- 2) A construction schedule (work order) shall be developed by the Cooperative following receipt in full of Construction Costs from the member for necessary upgrades, improvements, additions, enhancements or operational restriction mitigation measures to the electric distribution system. Interconnection work on behalf of the Cooperative shall be completed in keeping with the normal and conventional work practices, hours of operation, and priorities of the Cooperative. A completion date cannot be guaranteed.

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46.5 INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

- 3) Provided a third-party utility is required to perform certain work to facilitate the Interconnection, the member is responsible for obtaining a Certificate of Completion from the third-party utility. The main electrical disconnect controlling the electric interface of the Distributed Generation Interconnection shall remain open and locked pending the Cooperative's receipt of said certificate.
- 4) Member installation must include an accessible, lockable disconnect device capable of demonstrating a visible open to Cooperate personnel, and marked by a visible placard describing the equipment. Member installation must include a visible placard at the point of Interconnection stating, "Distributed Generation present" and including a brief description of the disconnect switch location.
- 5) Member shall notify the Cooperative in writing of completion of the Interconnection work on member's side. As an alternative, a Certificate of Completion by member's certified and licensed Distributed Generation installer or electrician is acceptable. The main electrical disconnect controlling the electric interface of the Distributed Generation Interconnection shall remain open and locked pending the Cooperative's receipt of said notice or certificate.
- 6) In all cases, notice of completion or delivery of a Certificate of Completion to the Cooperative is not an authorization for energization of the Distributed Generation facility by the member.
- 7) Subsequent to the Cooperative notifying the member in writing of completion of Interconnection work undertaken by the Cooperative, and within 10 business days of receipt of notice by the Cooperative of completion of Interconnection work by member and third-party utility, if applicable, the Cooperative will perform a Witness Test of the Distributed Generation system and the point of Interconnection.

Agreement and Insurance Requirements

- 1) Upon satisfaction of the Cooperative that the Interconnection is safe, reliable, and operationally functional, both parties shall execute an Agreement for Interconnection and Parallel Operation of Distributed Generation, incorporated hereto as Attachment B (the "Agreement").

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46.6 INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

- 2) The Agreement, accompanied by the following deliverables from the member, are required prior to the Cooperative issuing an authorization for energization of the Distributed Generation facility.
 - a. Operator in Charge. Member shall provide a phone number and address of a contact person(s) with knowledge of the Distributed Generation facility, its installation, the Interconnection, and having the authority to disconnect the facility at the request of the Cooperative in accordance with the provisions of the Agreement.
 - b. Certificate of Insurance. Member shall provide a certificate of insurance in full force and effect, demonstrating member has public liability and property damage insurance with minimum coverage limits of liability of no less than stipulated in the Agreement between Cooperative and member. If member carries Commercial General Liability insurance and proposes to interconnect Distributed Generation facilities having an aggregate Nameplate Rating in excess of 10 kW, member must include and endorse the Cooperative as an additional insured. Otherwise, as stipulated in the Agreement between Cooperative and member, for interconnections of any capacity and at member's sole discretion, member shall either (i) endorse Cooperative as an additional insured, or (ii) shall proactively provide Cooperative with a renewed copy of insurance certificate every six (6) months indicating member maintains such insurance in full force and effect.
- 3) The Cooperative reserves the right to audit member periodically to ensure the operator in charge remains a viable contact and to assure minimum insurance liability coverage(s) are in force.
- 4) Upon Cooperative's satisfaction of member's obligation to the contractual terms, the Cooperative shall provide member with an Authorization to Energize letter, incorporated hereto as Attachment C. Absent the Authorization to Energize, the main electrical disconnect controlling the electric interface of the Distributed Generation Interconnection with the electric system of the Cooperative shall remain open and locked.

Miscellaneous Requirements

- 1) The member shall not energize the Cooperative's distribution system during any period of electricity service interruption.
- 2) The Cooperative shall have free and unencumbered access to the member's Distributed Generation facility and Interconnection equipment for any reasonable purpose in connection with this Policy.

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46.7 INTERCONNECTION AND PARALLEL OPERATION
OF DISTRIBUTED GENERATION

- 3) The Cooperative shall have the right to inspect and approve all plans for expansion or modification of the Distributed Generation system(s) and Interconnection facilities prior to initial operation or subsequent operation. The Distributed Generation system shall at all times be subject to the Cooperative's requirements for maintaining voltage standards, proper phasing, reactive power requirements, and frequency.
- 4) The member shall, at Cooperative's request, make any necessary changes or adjustments to the Distributed Generation facilities to eliminate interference on the Cooperative's distribution system.
- 5) The member shall be responsible for all costs of the Interconnection, including future transmission, distribution, metering, service and other facility costs necessary to continue Parallel Operation of the Distributed Generation with the Cooperative's electric distribution system.
- 6) Electric generation facilities may be disconnected by the Cooperative from its system whenever, in the sole opinion of the Cooperative, such action is required by an emergency, for reasons of safety, due to interference with service to other members, or if member is in ongoing default of any of the terms and conditions stipulated in the Agreement between Cooperative and member. When possible, the Cooperative shall provide reasonable notice to the member prior to disconnection of the facility.
- 7) Any auxiliary or reserve power service required by the member must be arranged in accordance with the terms of the Cooperative's applicable policies and rates, as modified from time to time.
- 8) Any funds due the member or the Cooperative as a direct result of the ongoing operations of the Distributed Generation system shall be transacted in accordance with the Cooperative's applicable policies.

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APPROVED BY BOARD OF DIRECTORS 2-28-12
APPROVED BY BOARD OF DIRECTORS 8-28-18
APPROVED BY BOARD OF DIRECTORS 11-27-18

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47.1 NET METERING AND COOPERATIVE CREDIT FOR EXCESS MEMBER-GENERATED ELECTRIC ENERGY

Objective

To provide for net metering of members generating electric energy utilizing an eligible renewable electrical generating facility (EREGF), as defined below, and to provide for a credit by the cooperative to the member for excess electric energy produced by the EREGF and received by the cooperative from the member, while honoring the cooperative's obligation to provide electricity to all members on a cooperative basis as required by the Illinois Not-For-Profit Act and Revenue Code Section 501(c)(12) and complying with the cooperative's wholesale power contract obligations with Prairie Power, Inc. (PPI) and PPI's Policy #504 (Net Metering and Delivery of Excess Member-Consumer-Generated Electricity). This policy does not provide for physical interconnection and parallel operations requirements of an EREGF. See the Interconnection and Parallel Operation of Distributed Generation policy for such provisions.

Definitions

Annual Period means the calendar year commencing on January 1 and ending on December 31.

Base Rate means the cooperative rate schedules exclusive of residential heating incentives (i.e., Rate 10, 11, 13, 20, 21, 30, 31, 50, 51, 52, 60, 61 and the respective Sherman franchise counterparts).

Billing Period means the period of time over which the cooperative bills a member for electric energy consumed during that time and for other applicable charges from the cooperative.

Eligible Member means a cooperative member in good standing that owns and operates an EREGF where the EREGF is located at and associated with the member's specified service metering point and is intended primarily to offset the member's own electrical requirements at that specified service metering point.

Eligible Renewable Electrical Generating Facility (EREGF) means one or more generator(s) owned by an Eligible Member and located at and associated with the member's specified service metering point, where (i) such generator(s) are powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated wood waste and unadulterated wood waste, landscape trimmings, livestock manure, anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy and, (ii) the total combined Nameplate Rating for such generator(s) at the specified service metering point is not more than 10 kilowatts.

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Hourly Marginal Electricity Value (HMEV) means the arithmetical mean of the hourly MISO Day Ahead Locational Marginal Prices for electric energy at the applicable Prairie Power, Inc. Commercial Pricing Node during the applicable Annual Period, expressed in dollars per kilowatt-hour.

MISO means the Midcontinent Independent System Operator, Inc., or its successors in interest.

Nameplate Rating means the maximum electric energy production capability of a generator, specified in alternating current (“AC”) kilowatts after the inverter device(s).

Net Electricity Metering (or “net metering”) means the process of measuring, during the Billing Period applicable to an Eligible Member, electrical energy sales volume at a single specified service metering point by the cooperative’s retail meter when an EREGF is owned by the Eligible Member and is connected to and operating on the Eligible Member’s low-voltage electric premises wiring associated with the specified service metering point.

Net Purchaser of electricity means an Eligible Member whose total amount of electric energy generated by an EREGF is less than the Eligible Member’s total electric energy usage during an applicable Billing Period.

Net Seller of electricity means an Eligible Member whose total amount of electric energy generated by an EREGF is greater than the Eligible Member’s total electric energy usage during an applicable Billing Period.

Prairie Power, Inc. (PPI) means Prairie Power, Inc., an Illinois not-for-profit corporation, or its successors in interest, which is an electric generation and transmission cooperative of which the cooperative is a member and from which, by contract, the cooperative obtains its wholesale supply of electricity.

Applicability

This policy applies to an Eligible Member that chooses to connect an EREGF to the Eligible Member’s low-voltage electric premises wiring associated with a specified service metering point.

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Provisions

- 1) An Eligible Member shall first comply with the provisions of Menard Electric Cooperative's Policy on Interconnection and Parallel Operation of Distributed Generation, as it relates to the connection of an EREGF to, and the operation of such EREGF on, the member's low-voltage electric premises wiring associated with the specified service metering point.
- 2) The cooperative's retail service meter serving the Eligible Member's specified service metering point where the EREGF is located shall remain in place and be capable of measuring the flow of electricity both into and out of the Eligible Member's specified service metering point and recording the flow of electric energy in both directions. If the existing retail service meter serving the Eligible Member's specified service metering point is not capable of meeting this requirement, or if the member requests an additional meter, the cost of installing and maintaining same shall be paid by the member. The cooperative, in its sole discretion and at the expense of the Eligible Member, may install a meter between the EREGF and the Eligible Member's specified service metering point for purposes of assuring compliance with this policy in relation to the Nameplate Rating of the EREGF.
- 3) Net metering is available exclusively to members receiving service under a Base Rate. Transition of a member's specified service to a qualified Base Rate is required in conjunction with net metering.
- 4) For an Eligible Member with an EREGF, the cooperative shall measure and charge or credit for the net electric energy supplied to the Eligible Member or provided by the Eligible Member as follows:
 - a) The cooperative shall determine whether the Eligible Member is a Net Purchaser of electricity or a Net Seller of electricity during the Billing Period.
 - b) If the Eligible Member is a Net Purchaser of electricity during the Billing Period, the cooperative shall charge the member for the net electric energy supplied to and used by the member at the retail Base Rate selected by the Eligible Member.

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- c) If the Eligible Member is a Net Seller of electricity during the Billing Period, the cooperative will calculate a credit for any metered excess kilowatt-hours of electric energy delivered to the cooperative and apply such credit against only the electric energy consumed during the Billing Period. The cooperative shall carry over any unused amount of such credits and apply those credits to subsequent Billing Periods to offset only electric energy-related charges derived specifically from the consumption of electric energy measured in units of kilowatt-hours until all credits are used or until the end of the Annual Period, whichever occurs first.
 - d) At the end of the Annual Period that electric service is supplied by means of Net Electricity Metering, or in the event that the Eligible Member terminates service with the cooperative during an Annual Period, any remaining monetary credits in the Eligible Member's account shall be liquidated to the Eligible Member at a rate equal to the annual respective HMEV.
 - e) Any credit to an Eligible Member under this policy derived from the Eligible Member being a Net Seller of electricity shall be applied only to the charge for electric energy delivered to the Eligible Member. No part of such credit shall be applied to, and the Eligible Member shall remain responsible for, (a) taxes, fees, and other charges, including demand charges, that would otherwise be applicable to the net amount of electric energy purchased by the Eligible Member from the cooperative, and (b) other charges to the Eligible Member under any cooperative policies, Bylaws, rules, regulations, or rates, that are not based on a unitized charge per kilowatt-hour, including, but not limited to, basic service charges or facilities charges.
- 5) Any upgrades or modifications to the installed EREGF which cause the total combined Nameplate Rating for such generator(s) at the specified service metering point to become more than 10 kW shall disqualify the member as an Eligible Member for Net Electricity Metering.
 - 6) All renewable energy credits, greenhouse gas emission credits and renewable energy attributes related to any electricity produced by the Eligible Member's EREGF shall be treated as owned by the Eligible Member.

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- 7) The cooperative shall make available Net Electricity Metering to Eligible Members until the aggregate installed EREGF Nameplate Ratings of the cooperative's Eligible Members equals 5% of the cooperative's annual coincident peak demand during the previous calendar year.
- 8) This policy is subject to all federal, state and local laws, Menard Electric Cooperative's Articles of Incorporation, By-Laws and existing policies and the terms and conditions of the cooperative's existing wholesale power contract with PPI and loan agreements. To the extent any provision of this policy conflicts with those obligations, those provisions of this policy are deemed null and void.

APPROVED BY BOARD OF DIRECTORS 3-25-08

APPROVED BY BOARD OF DIRECTORS 2-28-12

APPROVED BY BOARD OF DIRECTORS 11-28-17 (Effective 01-01-18)

3rd REVISION BY BOARD OF DIRECTORS 05-24-22

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48.1 IRRIGATION LOAD CONTROL APPLICATION QUALIFICATION

Objective

To establish the qualifications and control functionality that a web-based irrigation load control application must possess in order for the cooperative to consistently approve such systems for the Rate 51 class.

Applicability

This policy applies to cooperative members enrolled or proposing to enroll in Rate 51 (Interruptible Irrigation Service for Member Control with Override Option).

Definitions

“Irrigation Load Control application” shall mean the web-based remote-managed irrigation control software application approved by the cooperative and used by cooperative members.

“Vendor” shall mean the software distributor of an Irrigation Load Control application.

Requirements

- 1) Member and member’s vendor must agree to enter into a three-party agreement with the cooperative and comply with the provisions thereof.
- 2) Cooperative must be able to test all aspects of the Irrigation Load Control application, if application is not already approved by the cooperative. Irrigation Load Control applications will be approved at the cooperative’s sole discretion following demonstration of the functionality required pursuant to this policy.
- 3) The Irrigation Load Control application and vendor’s database must be accessible by the cooperative at all times.
- 4) The cooperative must be provided login credentials to an account which enables its ability to:
 - a) Associate an irrigation system’s unique identifier (e.g., serial number) to a map location number assigned by the cooperative.
 - b) View geographical location of the irrigation system (e.g., longitude and latitude coordinates).

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48.2 IRRIGATION LOAD CONTROL APPLICATION QUALIFICATION

- c) Cluster irrigation systems into a cooperative-defined group(s).
- d) Submit a text notification to a member or individuals registered by the member.
- e) Control an irrigation system or a defined group of irrigation systems in real-time, while allowing the member to concurrently override cooperative control curtailment.
- f) Schedule an irrigation system or a defined group of irrigation systems to turn off and be inhibited for a cooperative-defined period of time (set load control period start time and duration).
- g) Initiate a cold load pickup (e.g., staggered startup delay or random release).
- h) Report irrigation systems which returned to service (overridden) during a period defined by the cooperative. Report shall be available in a format acceptable to the cooperative and include date and time system was overridden.
- i) Report irrigation systems that failed to curtail during a period defined by the cooperative; such failures unrelated to an override action taken by the member (e.g., equipment or communications issues).
- j) Provide indication to the cooperative if member subscription is terminated, by message, alert or database indication.

APPROVED BY THE BOARD OF DIRECTORS 10-24-17

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49.1 INTERCONNECTION OF AND SERVICE TO QUALIFYING FACILITIES UNDER PUBLIC UTILITY REGULATORY POLICIES ACT (PURPA)

Objective

To provide for the interconnection of and service to a Qualifying Facility in keeping with the provisions of the Public Utility Regulatory Policies Act, consistent with the Waiver approved by the Federal Energy Regulatory Commission (FERC), and through joint integrated implementation with Prairie Power, Inc. (PPI) and other distribution cooperative members of PPI. This policy is a complement to PPI Policy #509, dated March 15, 2017, and any revisions incorporated thereafter.

Definitions

Base Rate means the cooperative rate schedules exclusive of residential heating incentives (i.e., Rate 10, 11, 20, 21, 30, 60, 61 and the respective Sherman franchise counterparts).

Generator Interconnection Agreement (GIA) means an agreement and any associated procedures and processes governing the design, engineering, materials procurement, facility upgrades, construction, installation, ownership, safe and reliable operation, maintenance, protection, metering, costs and cost recovery, and any other matters related to the interconnection of an electric generation facility to the electric distribution or transmission system consistent with the requirements of industry standards.

Interconnector means a member of the cooperative that chooses to own, connect or operate a Qualifying Facility in the cooperative's service territory, whether connected directly to the cooperative's electric distribution system or PPI's electric transmission system.

Nameplate Rating means the maximum electric energy production capability of a generator, specified in kilowatts, as stated on the generator device(s) placards, nameplates, or in the manufacturer's specifications, prior to any power inverter device(s).

Prairie Power, Inc. (PPI) means Prairie Power, Inc., an Illinois not-for-profit corporation, or its successors in interest, which is an electric generation and transmission cooperative of which the cooperative is a member and from which, by contract, the cooperative obtains its wholesale supply of electricity and transmission service for the delivery thereof.

PURPA means Sections 201 and 210 of the Public Utility Regulatory Policies Act codified at 16 U.S. Code §796 and §824a-3, as it has been or may hereafter be amended, together with all rules or regulations promulgated thereunder as it relates to Qualifying Facilities (e.g., Code of Federal Regulations, Title 18, Part 292).

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Qualifying Facility (QF) means a cogeneration facility or a small power production facility that meets the operational, efficiency, ownership and other standards set forth in PURPA and that has been certified by FERC as a qualifying facility.

“**cogeneration facility**” means a facility that produces electric energy and steam or forms of useful energy (such as heat) which are used for industrial, commercial, heating, or cooling purposes, but not including an electric generator that produces only a small token amount of useful thermal energy.

“**small power production facility**” means a facility that produces electric energy using biomass, waste, renewable resources, including wind, solar energy and water, or which together with other facilities at the same site have a generating capacity equal to or less than 80 megawatts.

Waiver means the collective waiver of the cooperative’s obligation to purchase electricity from a QF and of PPI’s obligation to provide supplementary, back-up, maintenance, and interruptible power to a QF, as approved by FERC in the Order Granting Petition for Waiver, dated February 5, 1990 (Docket No. IR-168-001).

Applicability

This policy applies to Interconnectors who choose to own, interconnect or operate a Qualifying Facility in the cooperative’s service territory, whether to the cooperative’s electric distribution system or PPI’s electric transmission system.

Evidence of Qualification

The Qualifying Facility is required to provide the cooperative evidence of status of the existing or proposed facility, demonstrated in accordance with the provisions of PURPA and the requirement to concurrently serve a copy of any filing on the electric utility with which the QF expects to interconnect, transmit or sell electric energy to, or purchase supplementary, standby, back-up or maintenance power from. Attachment 1 hereto includes an Owner’s Certification which must be returned to the cooperative in addition to either of the following from the Federal Energy Regulatory Commission (“FERC”), provided:

- a) The Qualifying Facility may be self-certified by the Interconnector, or its representative, by properly completing [FERC Form No. 556](#) and filing that form with the Commission; or,

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- b) In lieu of self-certification, the Interconnector, or its representative, may obtain Commission certification that the facility is a Qualifying Facility.

Provisions of the Waiver

Consistent with the Waiver:

- a) The cooperative and PPI agree to interconnect with any QF requesting interconnection;
- b) The cooperative is obligated to make available to the QF, upon request, supplementary, back-up, maintenance, and interruptible power at rates that are nondiscriminatory, just and reasonable, and in the public interest;
- c) PPI maintains the obligation to purchase power from a QF which the cooperative would otherwise be required to purchase. The QF will not be subject to duplicate interconnection charges or additional fees as a result of PPI's purchase of power; and,
- d) A QF interconnecting directly to the cooperative's electric distribution system will not be subject to charges for wheeling power to PPI across such distribution lines.

Interconnection Provisions

- 1) The Interconnector must become a member of the cooperative, if not already.
- 2) If the QF has a Nameplate Capacity of 100 kilowatts or less and is to be interconnected with the cooperative's electric distribution system, the Interconnector and the QF shall at all times comply with the provisions, obligations, and requirements of the cooperative's policy on Interconnection and Parallel Operation of Distributed Generation.
- 3) If the QF has a Nameplate Capacity of more than 100 kilowatts and is to be interconnected with the cooperative's electric distribution system, the cooperative shall facilitate communications between the Interconnector and PPI to enable the Interconnector to enter into a GIA with PPI.

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- 4) If a QF of any Nameplate Capacity is to be interconnected with the PPI electric transmission system, the cooperative shall facilitate communications between the Interconnector and PPI, given the following requirements of the Interconnector:
 - a) If connection will be to non-networked segments of the PPI electric transmission system, the Interconnector and the QF shall at all times comply with the terms, requirements and conditions of a GIA with PPI.
 - b) If connection will be to the networked segments of the PPI electric transmission system, the Interconnector and the QF shall at all times comply with the terms, requirements and conditions of a GIA entered into among PPI, the Interconnector, and the Midcontinent Independent System Operator (“MISO”).
- 5) With any interconnection, system impacts to the cooperative’s electric distribution system, PPI’s electric transmission system, and other electric systems or facilities will be considered. The results of such system impact studies may cause the Interconnector to become subject to additional requirements and costs.

Purchases from the Qualifying Facility

- 1) The purchase of electric energy and electric capacity (if any) from the Interconnector of the QF, or its representative, shall be:
 - limited to those who have executed an agreement (i.e., Service Contract) with PPI;
 - limited to Qualifying Facilities with a Nameplate Capacity of 100 kilowatts or less;
 - made in accordance with PPI Rate Schedule QF-S (Appendix C to PPI Policy #509), which shall be made available by the cooperative upon request; and
 - in relation to the Interconnector’s option provided herein, based on the avoided cost of the PPI system calculated at the time of delivery, unless paid pursuant to a legally enforceable obligation for the delivery of energy or capacity as provided for in PURPA federal regulation 18 CFR 292.304(d).

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- 2) In the absence of alternative payment arrangements between PPI and the Interconnector of the QF, or its representative, compensation for the delivery of electric energy and capacity from the QF will be, at the Interconnector's sole option, either:
 - a) Payment of avoided cost, coupled with an assessment for monthly metering service, administration, operation, and maintenance charges by PPI; or,
 - b) No payment of avoided cost, nor an assessment of monthly metering service, administration, operation, and maintenance charges by PPI.
- 3) Any service, administration, operation, and maintenance charges levied by PPI shall be the direct responsibility of the Interconnector of the QF.

Provision of Service to the Qualifying Facility

- 1) The cooperative will make available electrical service throughout its service territory in the form of supplementary, back-up, maintenance or interruptible power at the Base Rate requested by the Interconnector, or its representative.
- 2) The Interconnector, or its representative, may be subject to the provisions, obligations, and requirements of the cooperative's policy on Line Extension to the extent facilities are not adequate or available at the location of the Qualifying Facility interconnection.

APPROVED BY BOARD OF DIRECTORS 11-28-17

APPROVED BY BOARD OF DIRECTORS 8-28-18

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50.1 NET BILLING OF EXCESS MEMBER-GENERATED ELECTRIC ENERGY

A) Objective

To provide an incentive for members generating electric energy from an eligible small distributed generation (Small DG) facility, as defined below, and to provide for the purchase of energy produced in excess of the members' electrical consumption, while honoring the cooperative's obligation to provide electricity to all members on a cooperative basis as required by the Illinois Not-For-Profit Act and Internal Revenue Code Section 501(c)(12) and complying with the cooperative's wholesale power contract obligations with Prairie Power, Inc. (PPI) and PPI's Policy #510 (Small Distributed Generation Facilities Incentive). This policy does not provide for physical interconnection and parallel operations requirements of a Small DG facility. See the Interconnection and Parallel Operation of Distributed Generation policy for such provisions.

B) Definitions

To the extent the following terms are used in this policy, the following definitions shall apply. To the extent that the same term is used in this policy and PPI's Policy #510, the definition of such term contained in PPI's Policy #510 shall control in the event of a conflict between the definitions.

Annual Period means the calendar year commencing on January 1 and ending on December 31.

Billing Period means the period of time over which the cooperative bills a member for electric energy consumed during that time and for other applicable charges from the cooperative.

Eligible Member means a cooperative member in good standing that owns and operates a Small DG facility located at and associated with the member's single specified service metering point.

Nameplate Rating means the maximum electric energy production capability of resource(s) located at and associated with a single specified service metering point, as stated in terms of alternate current (AC) kilowatts after any power inverter device(s).

Prairie Power, Inc. (PPI) means Prairie Power, Inc., an Illinois not-for-profit corporation, or its successors in interest, which is an electric generation and transmission cooperative of which the Cooperative is a member and from which the Cooperative obtains its supply of electricity in accordance with a wholesale power contract.

Small Distributed Generation Facility (Small DG) means one or more electricity production resource(s) which meet all of the following criteria: (i) owned by a Cooperative member, (ii) located in the retail service area of the Cooperative, (iii) connected to and operating on the Cooperative member's low-voltage electric premises wiring associated with a single specified service metering point, (iv) such resource(s) produce electric energy using biomass, waste,

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renewable resource(s) including wind, solar energy and water, and (v) the total combined Nameplate Rating for such resource(s) at the single specified service metering point is less than or equal to 100 kilowatts, and (vi) such resource(s) are intended primarily to offset the member's own electrical requirements, as determined by a calculation to ensure the total combined Nameplate Rating for such resource(s) shall offset no more than 110% of the Eligible Member's actual load over the most recent 12 months, however if 12 months of actual data is not available, the estimated average amount of load used by similar members during the same 12-month period will be utilized, and (vii) such resource(s) are not taking service pursuant to Rider NM or in accordance with Cooperative Policy #IV.49 for Interconnection of and Service to Qualifying Facilities under PURPA.

C) Applicability

This policy applies to an Eligible Member who applies for and is approved to interconnect a Small DG facility to the Eligible Member's low-voltage electric premises wiring associated with a single specified service metering point.

D) Provisions

- 1) An Eligible Member shall first comply with the provisions of Menard Electric Cooperative's Policy on Interconnection and Parallel Operation of Distributed Generation, as it relates to the connection of a Small DG facility to, and the operation of such Small DG facility on, the member's low-voltage electric premises wiring associated with the single specified service metering point.
- 2) The cooperative's retail service meter serving the Eligible Member's single specified service metering point where the Small DG facility is located shall remain in place and be capable of measuring, aggregating and retaining the flow of electricity both into and out of the metering point on a clock-hour basis. If the existing retail service meter serving the Eligible Member's single specified service metering point is not capable of meeting this requirement, or if the member requests an additional meter, the cost of installing and maintaining such meter shall be paid by the member. The Cooperative, in its sole discretion and at the expense of the Eligible Member, may install a meter between the Small DG facility and the Eligible Member's single specified service metering point for purposes of assuring compliance with this policy in relation to the Nameplate Rating of the Small DG facility. Energy produced at a location other than the single specified service metering point where the Small DG facility is connected and operating shall not qualify for the incentive available in accordance with this policy.

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- 3) For an Eligible Member with a Small DG facility, the cooperative shall measure, charge and credit the Eligible Member for the electric energy respectively delivered to and received from the single specified service metering point as follows:
- a) The Cooperative will charge the Eligible Member for the aggregated electric energy delivered to and used by the member during the Billing Period as reflected by the Delivered retail service meter register. The rate for delivered energy charges shall be in accordance with the Rate Class of the Eligible Member.
 - b) The Cooperative will calculate and apply a bill credit for the aggregated electric energy received from the Eligible Member during the Billing Period as reflected by the Received retail service meter register. The incentive rate for received energy credits shall be in accordance with the Energy Charge Rate and On Peak Energy Charge Rate stipulated in the wholesale power contract and established annually by PPI, effective each calendar year on January 1st. More specifically, the rate for received energy shall be:

$$\frac{(5 \times \text{PPI's On Peak Energy Charge Rate}) + (2 \times \text{PPI's Energy Charge Rate})}{7}$$

Any mid-year change in the value of PPI's Energy Charge Rate, On Peak Energy Charge Rate, or both, shall be implemented for the entirety of the Billing Period in which the change was adopted and made effective by PPI.

- c) In the event the single specified service meter registers a flow of excess electric energy out of the metering point in an amount greater than 100 kilowatt-hours during any clock-hour in the Billing Period, the volume of excess electric energy incorporated into the aggregated service meter register calculation for the Billing Period shall be 100 kilowatt-hours for that clock-hour, rather than a greater amount.
- d) Any bill credit derived from the aggregated flow of excess electric energy received from the Eligible Member during a Billing Period shall be applied to: (a) all charges associated with electric energy delivered to the member during the same Billing Period, including delivered energy charges, demand charges, power adjustment charges, taxes and fees, and (b) other charges applied to the Eligible Member under any Cooperative policies, Bylaws, rules, regulations, or rates, that are not based on a unitized charge per kilowatt-hour, including, but not limited to basic service charges, lighting charges and facility charges. If after application of bill credits the Eligible Member's monthly billing statement reflects a net negative monetary balance, such negative balance may be carried forward until used during future billing periods or until the end of the Annual Period, whichever comes first.

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50.4 NET BILLING OF EXCESS MEMBER-GENERATED ELECTRIC ENERGY

- e) At the end of the Annual Period in which electric service is supplied by means of Net Billing, or in the event that the Eligible Member terminates service with the cooperative during an Annual Period, any net negative monetary balance in the Eligible Member's account shall be liquidated to the Eligible Member.
- 4) Any upgrades or modifications to the installed Small DG facility which cause the total combined Nameplate Rating for such resource(s) at the single specified service metering point to be more than 100 kilowatts shall disqualify the member as an Eligible Member for Net Billing under this policy.
- 5) Any actual energy consumption revision experienced by the Eligible Member over the most recent 12-month period which cause the total combined Nameplate Rating for such resource(s) to offset more than 110% of the member's actual load over the same 12-month period shall disqualify the member as an Eligible Member for Net Billing under this policy.
- 6) All renewable energy credits, greenhouse gas emission credits and renewable energy attributes related to any electricity produced by the Eligible Member's Small DG facility shall be treated as owned by the Eligible Member.
- 7) The cooperative shall make available Net Billing to Eligible Members until December 31, 2024, unless terminated earlier due to actions taken by PPI. On or before December 31, 2023, the cooperative shall review this policy and associated rate Rider(s) to decide whether to extend, modify, or allow the Net Billing settlement mechanism to expire.
- 8) This policy is subject to all federal, state and local laws, Menard Electric Cooperative's Articles of Incorporation, By-Laws and existing policies and the terms and conditions of the cooperative's existing wholesale power contract with PPI and loan agreements. To the extent any provision of this policy conflicts with those obligations, those provisions of this policy are deemed null and void.

APPROVED BY BOARD OF DIRECTORS 03-23-2021

APPROVED BY BOARD OF DIRECTORS 04-25-2023 (Effective July 1, 2023)

APPROVED BY BOARD OF DIRECTORS 08-22-2023