

CHERRYLAND ELECTRIC COOPERATIVE

Member Regulated Billing Rules Summary

October 1, 2016



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****Cherryland Electric Cooperative is a member regulated utility under Public Act 167, The Electric Cooperative Member Regulation Act of 2008. Its billing rules are not defined by the Michigan Public Service Commission.****

APPLICATION FOR SERVICE

- (1) Applicants must request service in person at our Grawn office, in writing, by telephone, by fax, or over the internet.
- (2) Applicants must provide acceptable personal identifying information as determined by the Cooperative. Services established are to be in the name of the property owner, occupant and/or estate.
- (3) When requesting utility services, you will need to provide information such as your name, business name, social security number, federal tax identification number, date of birth, spouse or roommate's name, and service address. We may also require valid identification, valid notarized lease agreement, and utility statements from previous locations.
- (4) A security deposit and connect fee may be required.
- (5) As a condition of providing or continuing service the Cooperative will require payment of any delinquent accounts accrued by the applicant in the past.
- (6) The Cooperative may require other forms of verifying information as deemed necessary.
- (7) It is the Member's responsibility to notify the Cooperative of any updates to personal information, including contact phone number and mailing address.

DEPOSITS

- (1) **New Member:** The Cooperative may require a deposit as a condition for providing service. The amount of the deposit will be determined based on the results of a utility credit check. The maximum residential deposit charged shall not exceed \$250.00.
- (2) **Previous or Existing Member:** The Cooperative may also require a deposit from a previous or existing Member for continued service in the case of a balance transfer, meter tampering, bankruptcy, or other activities or misrepresentations that have caused the Cooperative a loss of revenue or are otherwise deemed harmful to the Cooperative.
- (3) The Cooperative shall return Member deposits to the Member's account upon satisfactory payment history by the Member for 12 consecutive months following full payment of the deposit. The Cooperative may, however, retain the deposit beyond twelve months in cases where unauthorized use or abuse of the utility service existed.

(4) When an existing member moves from one location to another that is served by the Cooperative, and the 12 month satisfactory payment history has not been met, the security deposit will be transferred to the new account.

(5) Members terminating service will receive the security deposit as a credit on their final bill if it has not been returned previously, and the account is current with no past due amounts owing.

(6) Security deposits paid by third party agencies will not be refunded to Members.

METERING

(1) Meters recording usage inaccurately as determined by the Cooperative shall be repaired or replaced by the Cooperative at no expense to the Member.

(2) Overcharges and undercharges due to electric metering errors shall be reconciled based on actual usage data, when available, or estimated based on historical usage data, when actual usage data does not exist.

(3) A member can request to have an independent third party test the electric meter servicing their premise. In the case where the meter tests accurate, as defined by Michigan Public Service Commission guidelines, the member shall be charged the full cost of the meter test. When a meter tests inaccurate, as defined by Michigan Public Service Commission guidelines, the Cooperative shall pay the full cost of the meter test.

BILLING AND PAYMENT STANDARDS

(1) The Cooperative shall permit each Member a period of not fewer than 21 days from the date the bill was sent in which to pay that bill in full.

(2) The Cooperative shall not withdraw funds from a member's bank account before the due date in cases where a member uses an automatic bill payment plan.

(3) The Cooperative will assess a late payment charge as defined in its rate tariffs.

(4) The Cooperative reserves the right to transfer any unpaid balance(s) from a separate metering point, residence, and/or location, accrued previously by a member, to an address served by the Cooperative at which he or she currently receives electric service.

(5) All occupants residing at a service location are responsible for electric services rendered at that location. If the Member of record vacates the location, the service and any unpaid balance will be transferred to the remaining occupant(s).

(6) If the Cooperative overcharges a member due to a billing or metering error, the utility shall refund or credit the amount of the overcharge. The Cooperative is not required to adjust, refund, or credit an overcharge for more than the 36 months immediately preceding discovery of the error.

(7) If the Cooperative undercharges a member, the following provisions apply:

a) In cases that involve meter tampering or fraud, the utility may back bill the member for the amount of the undercharge. Additional charges that may apply include equipment damages, deposits, field service charges, reconnect fees, and any additional extraordinary expenses incurred by the Cooperative. The Cooperative may require an inspection prior to reconnection of the service and reserves the right to prosecute in cases of meter tampering.

b) In cases that do not involve meter tampering or fraud, the Cooperative may back bill the member for the amount of the undercharge during the eighteen month period immediately preceding discovery of the error, and the Cooperative shall offer the Member reasonable payment arrangements for the amount of the back bill, taking into account the period and amount of the undercharge.

PAYMENT METHODS

Cherryland offers a variety of payment options including electronic payments, automatic withdrawal programs, mail, in person at our Grawn office, phone and a 24-hour drive thru kiosk at our Grawn office. For more details visit our website at www.cherrylandelectric.coop or contact our office at (231) 486-9200. The Cooperative does not charge processing fees for any payment method.

PAYMENT ARRANGEMENTS

Payment arrangement means a documented agreement entered into by a Member and the Cooperative that resolves any account balances in dispute, or provides for the payment of amounts not in dispute over a reasonable period of time.

- (1) The Cooperative and its Members may enter into a payment arrangement when the Member claims the inability to pay an outstanding bill in full.
- (2) The arrangement may include a plan to pay delinquent amounts owed.
- (3) Failure to keep a payment arrangement may result in disconnection of service without additional notice.
- (4) Failure to keep a payment arrangement may prevent the Cooperative from entering into future payment arrangements.

BILLING DISPUTE PROCEDURE

For billing disputes that cannot be resolved between the Member and the Member Services Department, a Member has the right to participate in the Cooperative's formal billing dispute resolution process. Choosing to pursue the billing dispute resolution process may not prevent a pending disconnect for non-payment of a past due bill.

The process for responding to disputed bills is as follows:

- (1) A representative of the Member Services Department will investigate the billing dispute as soon as it comes to the attention of the department, will attempt to resolve the dispute in a manner satisfactory to all parties, and will advise the Member of its findings.
- (2) If a satisfactory agreement is not reached, the Member has the right to request a review by the Member Services Supervisor.
- (3) If a satisfactory agreement is still not met, the Member may appeal, in writing, their reason(s) for disputing the billing. This appeal must be received from the Member within three business days of being notified of the Member Services Supervisor's findings. The appeal will be submitted to the Cooperative's standing Dispute Committee.
- (4) The Member Services Department and/or Supervisor will also submit, in writing, to the Dispute Committee their reason(s) for rejecting the Member's claim.
- (5) The Dispute Committee, made up of four utility employees appointed by the General Manager, to include at least 1 supervisor and 1 manager, will thoroughly review the information provided by both parties.
- (6) The Dispute Committee will notify the Member, in writing, of its final decision within five working days of receiving the Member's formal dispute filing. This decision shall be binding on the Member and the Cooperative concerning the disputed bill(s) in question.

PROCEDURES FOR SHUTOFF AND RESTORATION OF SERVICE

- (1) Shut off permitted. The Cooperative may shut off or terminate service to a member for any of the following reasons:
 - (a) The member has not paid a delinquent account.
 - (b) The member has engaged in unauthorized use of utility service.
 - (c) The member has failed to comply with the terms and conditions of a payment arrangement.
 - (d) The member has enclosed partially or completely their meter(s) and/or meter base(s).
 - (e) Cooperative personnel are unable to freely access electrical facilities for the purpose of inspection, meter reading, maintenance, replacement of equipment that is installed upon the premises, or for the removal of a meter.
 - (f) The member misrepresented his or her identity for the purpose of obtaining utility service.
 - (g) The member has violated any rules of the utility so as to adversely affect the safety of the member or other persons or the integrity of the utility system.
 - (h) "Name switching" is not allowed and will not prevent shutoff. The Cooperative reserves the right to disconnect power if a person taking service accumulated a past due balance as a Member of the Cooperative at their current or previous service location. The Cooperative reserves the right to transfer any

unpaid balances accrued by a Member at a different location to the location at which that person is currently taking service, regardless of whether or not that person is currently the member of record. In such situations, the person's name will be added to the account as an active Member.

Where a person requests that a residential utility account be placed in his or her name, and where that person has resided and received the benefit of the utility services, that person will be held accountable for any outstanding amount due as a condition of continued electric service to change the name of record on the account.

- (2) The Cooperative shall send a notice to the Member by first-class mail or electronic transmission not fewer than ten (10) days before the date of the proposed shutoff. The Cooperative shall send notice to the account name and address of record. The Cooperative shall maintain a record of the date the notices were sent. The Member is responsible for notifying the Cooperative of their current contact information.
- (3) The Cooperative may shut off service to a member on the date specified in the notice of shutoff or at a reasonable time following that date. If the Cooperative does not shut off service and mails a subsequent notice, then the Cooperative shall not shut off service before the date specified in the subsequent notice, unless a prior payment arrangement exists. Shutoff shall generally occur during normal Cooperative business hours.
- (4) For an involuntary shutoff, at least 1 day before shutoff of service, the utility shall have made no fewer than two (2) attempts to contact the member by one or more of the following methods: telephone, first class mail, electronic transmission, or in-person. If the Cooperative uses an automated notification system, it shall document the process.
- (5) The Cooperative will decide if service disconnect will be made in-person at the service location or remotely from the office.
- (6) The Cooperative may charge a fee for restoration.
- (7) If the service has been disconnected for more than 12 months an inspection by the County will be required prior to reconnection. The Cooperative may also require a representative from the Cooperative to complete an inspection.
- (8) If the service has been disconnected for less than 12 months, and is being reconnected in the same name, the Cooperative will back bill the availability charges from the date of disconnection.

LANDLORDS

The Cooperative reserves the right to notify the landlord/property owner if a service is scheduled for disconnection for any reason.

ENERGY ASSISTANCE AND SHUTOFF PROTECTION PROGRAMS

The Member assumes responsibility to inform the Cooperative if they qualify for one or more of the following programs:

Medical emergency. A medical emergency describes a situation where a Member requires the continuous operation of a life support device(s) which requires electricity to operate. The Cooperative shall postpone the shutoff of service for 21 days if the Member of record or a family member is in a critical care situation, providing a doctor's note is presented to the Cooperative. If the delinquent balance is not paid within 21 days, the account will be rescheduled for disconnection. The Cooperative shall allow two non-consecutive medical emergency extensions per calendar year.

Military Protection. Defined as full-time active duty deployed overseas in response to a declared war or undeclared hostilities or is deployed within the United States in response to a declared national or state emergency. The Cooperative shall not shutoff service to an eligible Member for a period of 90 days. The Cooperative shall provide shutoff protection for at least one additional 90-day period as long as the Member meets all of the conditions of eligibility and requests an extension. After the close of the last 90-day period, the Cooperative shall require the Member to pay any past due amounts in equal monthly payments over a period of up to 12 months.

Winter Protection Policy. On July 1, 2013 Public Act 95 of the Michigan Public Acts of 2013 was enacted creating the Low-Income Energy Assistance Fund (LIEAF) charging the Michigan Department of Human Services with expending money from the fund as provided by the Michigan Energy Assistance Act. The Act allows the Michigan Public Service Commission (MPSC) to annually approve a low-income energy assistance funding factor, not to exceed \$50,000,000, to support the LIEAF. The LIEAF funding factor is collected as a separate line item on utility bills.

Cooperative electric utilities can elect not to collect the LIEAF funding factor by electing annually to opt out of the program. Cooperatives that opt out of the program are prohibited from shutting off electric service for nonpayment of delinquent residential accounts from November 1 through April 15.

It is the policy of the Cooperative to opt out of the program annually. Subsequently, residential Member accounts will not be disconnected for nonpayment of delinquent accounts from November 1 through April 15. This does not prevent disconnection due to non-membership, meter tampering, or name switching.

Notice of energy assistance programs. The Cooperative shall publish annually in Country Lines a listing and explanation of available assistance programs.

VOLUNTARY TERMINATION OF SERVICE

- (1) A Cooperative Member or authorized representative shall notify the Cooperative in person, by telephone, in writing, by fax or via the internet, prior to requested service termination.
- (2) Once notified, the Cooperative will place a notice at the service location, allowing a minimum of 24 hours and a maximum of 5 business days prior to disconnection.

***** END *****