

## MEMBER HANDBOOK

Updated 03.10.2025

**These Service Rules and Regulations apply to each member and applicant for membership.**

They are part of every contract for service made by the Cooperative unless modified by specific terms written therein and govern all classes of service. Copies of these Service Rules and Regulations are on file in the Cooperative office and are open to inspection by members and applicants for membership.

#### **APPLICATION FOR MEMBERSHIP AND ELECTRIC SERVICE**

Application shall be made at the office of the Cooperative.

#### **SERVICE CONTRACT**

Each applicant for service will be required to sign an application for membership and agree to abide by the South Side Electric Handbook, which includes the Bylaws, Service Rules, and Regulations along with Electric Rates and Minimums of the Cooperative and accounting practices before service is provided.

A membership fee of twenty-five dollars (\$25.00) shall be collected for each application for membership. Upon the application's acceptance by the Board of Directors, the Cooperative shall issue a membership certificate. A consumer may hold only one membership. The membership fee is refunded when the membership is terminated, or the member discontinues the Cooperative service. The fee will be used to offset any obligation first, and any excess will then be refunded to the member.

There shall be no transfer of consumer membership except from a deceased member to the surviving spouse or by a member to his or her spouse to be held jointly by them.

When the service operation reverts to a party other than the member, all bills shall be billed to the member owning said property and all debts of said member.

#### **ACCEPTABLE CREDIT ACCOUNT**

It shall be the responsibility of each consumer to establish and/or maintain an acceptable credit account or to be classed as an unacceptable credit account, which adds additional responsibility as herein defined.

The Definition of an unacceptable credit account is as follows:

A new Residential account that cannot procure documentation of a good credit history from their last electrical utility.

**New Irrigation accounts.**

Any account that is disconnected for failure to pay or fails to comply with acceptable credit provisions.

Any account that is in the 30-day and over a column of their billing statement.

Any account that has been written off.

When the application for membership or connection by an unacceptable credit account is made, the member must comply with one of the three available options to provide the Cooperative with adequate security.

The irrigation member will provide a deposit to be held by the Cooperative equal to two months' estimated usage.

The member will provide an acceptable credit reference from a previous utility (applicable to new members only) or an acceptable irrevocable letter of credit equal to the amount of one year's estimated usage established by the Cooperative.

The member will prepay one year's estimated bill in advance of any connection of service.

#### **ESTABLISH ACCOUNT**

To establish or reestablish the status of an Acceptable Credit account, all Residential and Irrigation accounts shall have a 1-year (12-month) satisfactory probation.

#### **MEMBERSHIP CANCELLATION**

All memberships shall be considered inactive and subject to cancellation by the Board, when the member has not received power under the membership for six (6) consecutive months, or where there is reasonable evidence that he will not require service soon, i.e., upon death.

#### **APPLICATION FOR SERVICE**

The application shall contain a classification of the service, the location to be served, whether the applicant is the owner, agent, or tenant of the premises, and such other information as the Cooperative may require.

#### **RIGHT TO REJECT**

The Cooperative reserves the right to reject any application for service not available under its rate schedules, or which involves excessive cost, or which might affect the supply of service to others, or for other good and sufficient reasons.

#### **CONNECTS AND AUTHORIZATION**

To protect our members and their property, the Cooperative shall require proper authorization by the owner prior to the connection of services.

## **MEMBER RESPONSIBILITY**

Each member shall, as soon as energy is available, purchase from the Cooperative all purchased electric energy used on the premises specified in his application for membership or application for service and shall pay, therefore, monthly at rates which may from time to time be fixed by the Board of Directors.

It is expressly understood that amounts paid for electric energy more than the service cost are furnished by the members as capital, and each member shall be credited with the capital so furnished as provided in the By-Laws. Each member shall also pay all amounts they owe to the Cooperative as and when they shall become due and payable.

## **BEGINNING AND ENDING SERVICE**

Meter Reading:

Any person or persons starting the use of service without first notifying the Cooperative and enabling the Cooperative to record the meter reading shall be held responsible for any amount due for service supplied to the premises from the time of the last reading reported preceding his occupancy.

## **NOTICE OF INTENT TO VACATE PREMISES**

Consumer shall give notice of intent to vacate premises and may be held liable for service used until a final meter reading, acceptable to the Cooperative, is obtained.

## **DISCONNECT DURING PERIOD OF VACANCY**

Disconnection of service may be made during a period of vacancy upon a member's written request at the Cooperative office. Such a disconnect shall be subject to a sixty-five-dollar (\$65.00) charge. Services disconnected will be subject to the minimum monthly service charge of \$25.00 or \$35.00 for commercial accounts.

## **RECONNECT OF SERVICE AFTER A PERIOD OF NON-USE**

In cases where temporary disconnects have been requested, and the same Consumer requests a reconnect, a charge of sixty-five dollars (\$65.00) shall be made for reconnecting.

## **IDLE SERVICES**

When a service is determined to be idle and unused

There are two options available.

Remain idle with the minimum monthly charge of \$25.00 per month or \$35.00 per month for commercial accounts.

The owner of the service may request the removal of the service. If the customer requests the service to be removed, he/she must sign a request for removal. The removal is to include, but not limited to, the meter, meter base, loop, and transformer. Service will be removed back to the "point of delivery" if it does not interrupt any other service connections.

#### **WIRING REQUIREMENTS**

The Cooperative will require that for all new service connections or reconnections where changes in wiring have been made, a proper inspection tag shall be furnished prior to connection in accordance with the enforcement agency having authority over the member's installation.

When asked or notified by the manager or any duly authorized agent of the Cooperative, any member on the system with obviously unsafe conditions shall correct his wiring or the service will be disconnected immediately. It will not be restored until such deficiency is corrected.

#### **MEMBER'S LIABILITY**

The Cooperative's responsibility extends only to supplying service at the delivery point. The member assumes full responsibility for the service upon the premises at and from the point of delivery and for the wires, apparatus, devices, and appurtenances used in connection with the service.

The member shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs, or expenses for loss, damage, or injury to persons or property in any manner directly or indirectly arising from, connected with, or growing out of the transmission or use of electric current by the member at or on the member's side of the point of delivery.

#### **PROTECTION BY THE MEMBER**

The member shall protect the equipment of the Cooperative on his premises and shall not interfere with or alter or permit interference with or alteration of the Cooperative's meters or other property except by duly authorized representatives of the Cooperative.

Any loss or damage to the property of the Cooperative due to or caused by or arising from carelessness, neglect or misuse by the member or other unauthorized persons, the cost of the necessary replacement and repairs shall be paid for by the member.

#### **NOTICE OF TROUBLE**

The member shall give immediate notice to the Cooperative or its authorized employees of any interruptions, irregularities, or unsatisfactory service and of any defects known to the member on the Cooperative's facilities.

#### **RESALE OF SERVICE**

It is illegal and punishable by law for members of the Cooperative to resell or allow the resale of electric energy furnished by the Cooperative.

#### **MEMBERSHIP REFUNDS**

Upon relinquishing the membership, the Cooperative will refund the member the membership fee unless they are otherwise indebted to the Cooperative. After the offset of any obligations, any excess will be refunded to the member.

#### **BILLING AND COLLECTING**

#### **NON-MEMBER DEPOSITS**

Renters will make a deposit. Determined by the two highest months of previous usage. In the event of a new hook-up, an estimate will be used. When the renter closes the account, any amount outstanding will be subtracted from the deposit, and the balance will be returned to the customer via check.

#### **BILLING PROCEDURES**

Billings will be mailed or emailed to each member.

Bills are due and payable upon receipt and or by the 25th day of each month. The consumer shall be responsible for ensuring that payments are “in the office” by the 25th.

#### **DELINQUENT ACCOUNTS**

An account is considered delinquent if it remains unpaid after the 25th of the month in which the billing is due. A penalty of 2% of the past due balance will be added to the account balance on the 26th, plus a delinquent fee of \$30.00.

Renter/Landlord: The Cooperative requires a two-month deposit from renters at the time of application (deposits are determined by adding the two highest months of usage of the service). If the renter vacates the rented premises and the deposit does not cover the bill owed, the landlord is responsible for this payment before the service can be reconnected with a new tenant.

#### **DISCONNECTION OF PAST DUE ACCOUNTS:**

If a delinquent account is not paid in full, all services to the member renter shall be disconnected by such date stated in the policy.

If the day of disconnect should fall on a Saturday, Sunday, or a holiday observed by the Cooperative, disconnect will be completed on the next regular working day.

Disconnects will be made in accordance with State and Cooperative rules and regulations.

Payments are offered if an employee is sent to disconnect service to a delinquent account. A \$65.00 service charge will still be assessed. This represents expenses incurred by the Cooperative due to the disconnect intent.

If a service is disconnected due to the delinquency of the account, a \$130 service charge will be assessed. This represents expenses incurred by the Cooperative due to the disconnection (\$65.00) and re-connection (\$65.00) of the delinquent account. An additional \$127.50 fee will be assessed for any reconnection after hours.

Past due amounts, including penalties, disconnect and reconnect fees, must be paid in full before the service is reconnected.

### **NON-SUFFICIENT FUND CHECKS**

A member's account will not be considered paid and will be subject to disconnect if the check rendered for payment of the account is returned for insufficient funds, no account, or other similar reasons.

When a check is returned by the bank, a charge of thirty dollars (\$30.00) will be added to the member's account and will be due and payable with the account balance.

Suppose a member repeatedly pays with checks that are returned. In that case, the Cooperative management may require the member to pay a further balance in cash or other specified manner or the member may be required to provide an additional deposit beyond the deposit made at the time of application for membership, even if the original deposit may have been returned at an earlier time.

### **SPECIAL METER READING**

The Cooperative will read all irrigation account meters and all residential meters monthly.

### **PUMP ACCOUNTS**

Each year, prior to obtaining electrical service to a pump, the member or customer requesting service shall sign an "Irrigation Letter" provided by the Cooperative.

New pump accounts shall pay an estimate of monthly charges each month in advance for one year as a deposit and will be refunded after pumping season.

All other accounts shall be billed monthly.

All delinquent accounts shall be given notice of a deadline to make payment. If the following notice shows the delinquent account is not paid in full by the deadline stated in the notice, all services to the account shall be disconnected. Notification fees and discount fees shall be established in the rules and regulations.

All accounts that are delinquent on November 26th shall be required to pay two months' estimated monthly payment before commencement of service for the subsequent crop year and shall pay an estimate of monthly charges each month in advance for the subsequent crop year. Any payment not made when due shall be deemed delinquent and shall be subject to notice and turn off as described above.

A member or customer shall not receive service until all delinquent accounts of that member or customer are paid in full.

The landowner is responsible for all services provided to pumps located on the landowner's property.

Construction on rented farm grounds will be managed through the landowner. A contract between the renter and the landowner should be established before construction.

### **SHARED BILLS**

When more than one user uses a service, such as a group or association, and the bill is shared between them, one party shall be responsible for connecting, disconnecting, and paying the bill. The Cooperative shall not be responsible for calculating the shared bill or collecting from the various users. The account shall be treated like all other accounts in all respects.

### **HOUSE OR LARGE EQUIPMENT MOVING**

The Cooperative will allow the moving of buildings and equipment under its lines providing a minimum clearance of six (6) feet can be maintained. If this clearance cannot be maintained, Cooperative personnel will be dispatched to lift the lines if possible or to open the lines if necessary.

The Cooperative will, with adequate notice and with proper arrangements, open all lines to permit safe passage to buildings or equipment being moved by a member at no charge to the member, subject to the provisions of this policy.

Any non-member individual or entity who plans to move a building or piece of equipment under or through Cooperative lines and cannot meet the above clearances shall be required to contact the Cooperative during regular business hours and in accordance with all provisions of this policy to arrange for moving such buildings or equipment. An estimated cost shall be paid in advance.

The Cooperative reserves the right to specify when any or all lines may be opened, if necessary, to protect the members against undue inconvenience or costly outages due to the request of the mover.



The Cooperative may require 72 hours or more notice of such a move. The mover must provide a full description of the route to be used and the loaded dimensions of the building or equipment, including the overall height.

#### **RELOCATION OF COOPERATIVE FACILITIES**

All construction (residential and irrigation) will be managed through the landowner. This means the cost responsibility will be that of the member.

The Cooperative will relocate or change the routing of its lines and facilities, providing that the member requesting such relocation or changes shall pay the final costs of such work. Account shall be taken by the Cooperative of the advantages and improved facilities to be gained by the Cooperative and charges prorated accordingly.

Relocation: The relocation of existing facilities, when requested by a member, regardless of whether such facilities are located on a member's property or on a public right of way, shall be provided for by the Cooperative under standards, specifications, and requirements as determined by the Cooperative and all federal, state and local codes. The costs of such relocation shall be paid for by the member requesting such relocation or otherwise terms and conditions approved by the General Manager.

#### **REMOVAL OF EXISTING SERVICE**

Suppose the removal of an extension or service is requested by a member in writing, and all contractual obligations and minimums have been paid. In that case, the Cooperative may remove the extension or service at their discretion. The Cooperative reserves the right to remove the facilities that have not been used for one year. Facilities shall be removed only after providing sixty (60) days' notice to the last member served at the property and the property owner after providing them with a reasonable opportunity to respond. Easements for such facilities shall be released by the Cooperative when no longer needed if a recorded document has been previously procured.

#### **CONSUMERS EQUIPMENT ON COOPERATIVE POLES**

Appurtenances or attachments of any kind shall not be affixed to Cooperative poles by members or anyone else without specific authorization from officials of the Cooperative. Adequate working space around the pole and any underground equipment shall always be left.

#### **CONTINUITY OF SERVICE**

The Cooperative shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy, but if such supply fails because of (1) interruptions or reductions due to the operation of devices installed for power system protection; (2) interruptions or reductions due to Acts of God, Governmental Authority, action of the elements, public enemy, accident, strikes, labor trouble, and (3) temporary interruptions or reductions which, in the

option of the Cooperative are necessary or desirable for the purpose of maintenance, repairs, replacements, installation of equipment or investigation or inspection; or for any other cause beyond the reasonable control of the Cooperative, the Cooperative shall not be liable therefore. The Cooperative will endeavor to notify, where possible, the members thus affected by the time and duration of the interruption.

## **RIGHT OF WAY**

The Cooperative will require that all members served or applying for service, grant, at no cost to the Cooperative, a right-of-way easement over private ground for such facilities as are necessary. The Cooperative will refrain as far as possible from placing lines or facilities upon any public road right-of-way. Where a public road does not yet exist along section lines, the lines shall be placed far enough to one side of the section lines so as not to fall inside the road right-of-way when such roads are built. The manager is authorized to function as the Cooperative agent to secure right-of-way for necessary lines and facilities to be constructed and operated by the Cooperative.

The Applicant grants the Cooperative the necessary rights, privileges, and easement to construct, extend, operate, replace, repair, and perpetually maintain electric utility lines, appurtenant facilities, and meters on, over, and under the property owned or occupied by the Applicant. Applicant further agrees to provide without cost to the Cooperative any properly signed recordable easements required by the Cooperative for the installation and maintenance of the Cooperative's electric transmission or distribution and appurtenant facilities, existing and future; provided such future lines and facilities shall be located along existing exterior boundary lines and interior fence lines whenever feasible.

As a member of the Cooperative, the Applicant will comply with and be bound by the Articles of Incorporation and By-Laws of the Corporation and any rules and regulations adopted by the Board of Directors.

Procurement of Right-of-Ways: Members shall, without cost to the Cooperative, grant a right-of-way for the Cooperative facilities across or on property owned and controlled by a member for the purpose of supplying electrical power and related services to the member. The property owner shall grant the right-of-way to the Cooperative in an agreement that shall be recorded with the applicable county recorder. Members shall always provide access to right-of-way to the Cooperative personnel. Any fees or expenses incurred in the acquisition of a Right-of-Way permit shall be at the consumer's expense and paid for by the consumer in advance based on the Co-op's estimate. Otherwise, the consumer may acquire them on behalf of the Co-op.

## **LINE EXTENSIONS**

All line extensions shall be paid for by the member or applicant member requesting said service. That portion the Cooperative assumes shall be credited to that member's capital. Any primary

construction, if done by a member, must be with the consent and approval of the Cooperative, with all transformers & equipment being purchased from the Cooperative.

#### **COOPERATIVE OWNERSHIP**

All equipment, poles, lines, transformers, meters, wires, and electrical devices shall remain the property of the Cooperative. Any payment made by a member/consumer covering construction costs on a line extension in conformity with the line extension policy shall not be deemed to represent individual ownership of any portion of the facilities furnished by the Cooperative.

#### **ADJUSTMENT OF GUARANTEE**

Any line extension that exceeds 1,320 feet shall be amortized on a five-year basis. A new attachment or new extension shall be required to pay their required proportional share of the balance not amortized. This payment shall be refunded to the original member, and the said amount will be deducted from his capital.

#### **ORDER OF CONSTRUCTION**

Line extension shall be constructed in the order of priority, as established by the date the consumer has completed all necessary agreements.

#### **EXTENSIONS TO PERMANENT SERVICE**

A new extension may be constructed after the customer pays a Contribution in aid of construction of no less than 100% of the estimated cost of construction prior to construction.

When a consumer requests that a line be extended to a service or replace an existing overhead service with primary underground, this cost will be paid in full in the next month's billing cycle, with the consent and approval of the Cooperative.

#### **PRE-CONSTRUCTION COSTS**

When a request for service requires the use of outside consulting services, engineering, or expenditure of labor and/or other resources in preparation of requested information, the Cooperative may require the party submitting the request to pay in advance the estimated cost of preparing the needed material and information. Engineering and staking of line extensions shall be provided as a service except as follows:

A \$85 fee will be required for a subsequent re-staking of the line due to requested changes or failure of the party requesting service to approve construction within six months from the initial date of staking.

Line extensions requiring board approval will be charged actual engineering expenses.

The member shall be charged actual engineering expenses for any line extension requiring non-routine engineering design.

## **SHARING OF EXTENSIONS**

Two or more applications for electrical service may share the costs of an extension.

An applicant for electrical service or services whose service will be supplied by an extension that has been paid in full (including subdivision) will be required to pay a proportionate share for the extension. Payment will be made to the Cooperative who in turn will reimburse the original member. Each applicant's proportionate share will be based on the physical location of the service with respect to the total length of the extension. If the load added onto an extension will more than pay for the proportionate share of the extension costs, a reduction (credit) to the amount of the original contracted member's minimum may be allowed.

## **DEVELOPERS/INDETERMINANT SERVICES**

### **DEVELOPERS OF SUBDIVISIONS AND MULTIPLE PARCELS:**

Developers shall purchase all equipment and primary wire to "All" parcels or "lots" in a new or addition to a subdivision and/or multiple parcels. Equipment and primary wire can be added if the proposed subdivision or multiple parcels are in multiple phases.

Each phase will be supplied with primary wire, transformers, and equipment, which will be pre-paid for by the developer and installed completely at the time of the development.

Metering and metering equipment will be at the property owner's expense, from metering electrical service on the property. All electrical metering will be located at the transformer location.

## **B.DEVELOPERS/SUBDIVISIONS**

Extension to Subdivisions and Multiple Parcels: Developers that wish to have the primary service installed in the subdivision or multiple parcels will require Board approval if deemed necessary by the General Manager.

Developers of the subdivision will be required to provide the Cooperative with maps of the subdivision and easement for all trunk lines and expected line locations, as well as egress from the lots or subdivision.

The Cooperative reserves the right to determine the terms and conditions under which it will provide electrical and related services to individual lots within a subdivision. The Cooperative will only provide electrical and related services to such lots pursuant to a written agreement with the developer of a subdivision or owners of the subdivision "lots." The Cooperative will require all estimated costs for the installation of underground or overhead, primary or

secondary, to be paid prior to installation. Any construction, if done by a developer, must be with the consent and approval of the Cooperative under standards, specifications, and requirements as determined by the Cooperative and all applicable federal, state, and local codes.

All subdivisions will be required to have county approval & a granted easement for utilities included in the plat map of the approved subdivision.

#### **INDETERMINATE SERVICE OR SPECULATIVE SERVICE**

Where the proposed extension is to supply service to consumers whose permanent or continuous use appears questionable or speculative to the Cooperative or may be classed as “indeterminate service.”

If a service is indeterminate or speculative, such as an extension to mine (Bitcoin), a cash payment, or an acceptable letter of credit equal to the estimated cost of construction and retirement, if applicable, must be received by the Cooperative prior to the start of construction.

The Cooperative will consider any extension to an irrigation service as speculative until the quality and quantity of water have been established to the satisfaction of the Cooperative.

Any development that is considered by the Cooperative as a subdivision, housing development, or other similar land development will be classed as indeterminate or speculative, and the developer will be responsible for making the required payments or satisfactory guaranteeing the payment of the extension serving the area being developed prior to the start of construction. Either the property owner or the developer will be required to pay for the service drops.

#### **TEMPORARY SERVICE**

Where the proposed extension is to supply service to the consumer or to whose use appears to the Cooperative to be temporary and of limited or short duration with specific use contemplated, the consumer or applicant shall advance to the Cooperative the estimated cost of construction, including the cost of retirement.

Upgrades to all services (domestic and pumps) shall be done at the expense of the member requesting the service.

Upgrade: The upgrading of existing facilities shall be provided for by the Cooperative according to standards, specifications, and requirements as determined by the Cooperative and all federal, state, and local codes. When requested by a member, such upgrading shall be paid for at the expense of the member requesting the service or otherwise terms and conditions approved by the Board of Directors.

#### **TERMS OF SERVICE**

Primary construction required to provide service when requested will be managed in accordance with the extension policy as outlined in Section IX of these Service Rules and Regulations.

## **SECONDARY CONSTRUCTION**

The consumer shall be responsible for all material and labor from the meter.

## **MOTOR STARTING REQUIREMENTS**

Across-the-line starting for irrigation pump motors will be permitted on the South Side Electric, Inc. system, provided that acceptable operation conditions concerning voltage drop are maintained. Where operation conditions are such that starting causes voltage drop to exceed seven and one-half percent (7 ½ %) at the distribution transformer high side, the Cooperative may require that reduced voltage starting equipment be installed.

Time-delay equipment adjustable 0-30 minutes should be installed on all automatic start controllers. The time setting of the relays is to be determined by the Cooperative personnel, and a provision is made for sealing the timer to prevent a setting change.

Under voltage, protective relays are mandatory on all control units, manual or automatic, at no expense to the cooperative.

Increment or part-winding starting of motors should be strongly discouraged for any new installations. Where increment starting equipment is used, the Cooperative reserves the right to adjust the time interval setting to the most desirable and efficient operation.

Concerning new pump construction, all pumps will install a capacitor for motor size at the time of construction. VFD pump motors will require properly sized harmonic filters per motor size at the member's expense.

## **STOCK WATER PUMPING/IRRIGATION METERS**

During the months after the irrigation season, the use of irrigation pumps to provide water for livestock will be billed as irrigation pumping and the power will be billed according to the appropriate irrigation rate. All kWh usage and demand usage used by irrigation meters will be charged monthly during off-seasons.

## **DELINQUENT PUMP ACCOUNTS**

No pump shall be connected until all delinquent accounts accruing from services previously rendered shall have been paid in full.

It shall be the landowner's responsibility to determine that the bills accruing for pumping service on his land shall be paid to the Cooperative, whether the use is by the owner directly or through a lease arrangement, contract purchase agreement, or otherwise.

A pump deposit must be made before pumps are turned on in the spring to prevent delinquent accounts. The pump user has three options.

Letters of credit for the entire amount of the previous year's pump charges.

Cash payment in the amount of the previous year's billings.

Average of one month of the previous year's charges paid in advance. A contract between the pumper and South Side Electric, Inc. will be signed stating that the pumper will pre-pay his pumping bill on the first of each month. If a patron fails to do so, his energy will be terminated.

#### **MAILING LIST**

The Cooperative general mailing list shall be available only to the properly authorized persons representing various state or federal agencies or others, wherein it is determined by the Board of Directors that the use thereof will serve the best interest of the members and the public.

#### **JOINT USE OF POLES**

It shall be the policy of the Cooperative to enter into agreements for the joint use of poles with any qualified agency, with proper remuneration to or from the Cooperative for such use, wherein such joint use shall contribute to the promotion of economic gain or general welfare of the Cooperative and its members at the discretion of the cooperative.

### **Bylaws of South Side Electric, Inc.**

#### **ARTICLE I. OBJECT**

The object of South Side Electric, Inc. (hereinafter called the Cooperative) is to make electric energy available to its members at the lowest cost consistent with sound economy and good management and not in conflict with the Articles of Incorporation or these Bylaws.

#### **ARTICLE II. MEMBERS**

Section 1. Qualifications and Obligations. Any person, association, firm, corporation, partnership, or body politic may become a member of the Cooperative by:

- (a) making a written application for membership therein.
- (b) paying the membership fee hereinafter specified.
- (c) agreeing to purchase from Cooperative as hereinafter specified and be owner or purchaser of the property being served or to be served.

(d) agreeing to comply with and be bound by the Articles of Incorporation of the Cooperative and these Bylaws and any amendments thereto and such rules and regulations as may from time to time be adopted by the board of directors, provided, however, that no person, association, firm, partnership, corporation or body politic shall become a member unless and until he, she, or it has been accepted for membership by the board of directors or the members. No member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable except as provided in these Bylaws.

(e) Each member shall cause all premises covered by his or her or its membership to become and remain wired in accordance with the specification approved by the cooperative. Each member shall be responsible for and shall indemnify the Cooperative or any other person against injury, loss, or damage resulting from a defect in or improper use or maintenance of the member's premises, wiring, or any other apparatus connected thereto. In no event shall the responsibility of the Cooperative extend beyond the point at which its service wires are attached to the meter loop provided for measuring electricity used on the member's premises.

(f) each member shall execute and deliver to the Cooperative grants of easement or right of way on or over such lands owned by the member and in accordance with such reasonable terms and conditions as the Cooperative shall require for the furnishing of electric service to that member or other members or for the construction, operation, and maintenance of the relocation of the Cooperative's electric facilities.

Section 2. Membership Fee. The membership fee shall be \$25.00, payment of which shall be made at the time of application.

Section 3. Purchase of Electric Energy. Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy used on the premises referred to in the application of such member for membership, and shall pay therefore monthly at rates which shall from time to time be fixed by resolution of the board of directors; provided, however, that the electric energy which the Cooperative shall furnish to any member may be limited to such an amount as the board of directors shall from time to time determine and that each member shall pay to the Cooperative such minimum amount per month as shall be fixed by the board of directors from time to time, regardless of the amount of electric energy consumed. Each member shall also pay all obligations, including all energy bills, which may from time to time become due and payable by such member to the Cooperative as and when the same shall become due and payable. It is expressly understood that amounts paid for electric energy more than the service cost are furnished by members as capital, and each member shall be credited with the capital so furnished as provided in these Bylaws.

Section 4. Non-liability for Debts of the Cooperative. The private property of the members of the Cooperative shall be exempt from execution or liability for the debts of the Cooperative, and no member shall be individually liable or responsible for any debts or liabilities of the Cooperative.

Section 5. Expulsion of Members. The board of directors of the Cooperative may, by the affirmative vote of not less than two-thirds (2/3) of the members thereof, expel any member who



shall have violated or refused to comply with any of the provisions of the Articles of Incorporations of the Cooperative or these Bylaws or any rules or regulations adopted from time to time by the board of directors, but only if such member shall have been given written notice by the Secretary of the Cooperative that such failure makes him, her, or it liable to such expulsion, and such failure shall have continued for at least ten (10) days after such notice was given. Any member so expelled may be reinstated as a member by the affirmative vote of two-thirds (2/3) of the members present and voting in person or by proxy at any annual or special meetings of the members where a quorum is present. The action of the members with respect to any such reinstatement shall be final. The membership of a member, who for a period of six (6) months has ceased to purchase energy from the Cooperative, may be cancelled by resolution of the board of directors.

Section 6. Withdrawal of Membership. Any member may withdraw from membership upon payment in full of all debts and liabilities of such member to the Cooperative and upon compliance with such terms and conditions as the board of directors may prescribe.

Section 7. Transfer and Termination of Membership.

(a) Membership in the Cooperative and a certificate representing the same shall not be transferable, except as hereinafter otherwise provided, and upon the death, cessation of existence, expulsion or withdrawal of a member, the membership or such member shall thereupon terminate, and the certificate of membership of such member shall be surrendered forthwith to the Cooperative; provided, however, that such termination of membership shall not release the member or the successor of the member from the debts or liabilities of such member to the Cooperative. Upon dissolution, after (1) all debts and liabilities of the Cooperative shall have been paid, and (2) all capital furnished through patronage shall have been retired as provided by these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bear to the total patronage of all members. In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by him; provided, however, that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owing from the member to the Cooperative.

(b) Membership may be transferred by a member to himself or herself and his or her spouse jointly upon the written request of such member and compliance by such spouses jointly with the provisions of Section 1 of this Article. Such a transfer shall be made and recorded in the books of the Cooperative and such joint membership noted on the original certificate representing the membership so transferred. Partnerships and corporations may transfer membership to a partner(s) or a shareholder(s).

(c) The rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

(1) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting.

(2) The vote of either separately or both jointly shall constitute one joint vote.

(3) A waiver of notice signed by either or both shall constitute a joint waiver.

(4) Notice to either shall constitute notice to both.

(5) Expulsion of either shall terminate the joint membership.

(6) Withdrawal of either shall terminate the joint membership.

(7) Either but not both may be elected or appointed as an officer or director if both meet the qualifications for such office.

### ARTICLE III. MEETING OF MEMBERS

Section 1. Annual Meeting. The annual meeting of the members shall be held each year in February; such day is to be designated each year by the Board of Directors, and said meeting is to be held at such place within the Cooperative's service area in the County of Cassia, State of Idaho, as shall be designated in the notice of the meeting, for the purpose of electing directors, passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein for any annual meeting or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be. Failure to hold the annual meeting at the designated time shall not result in a forfeiture or dissolution of the Cooperative.

Section 2. Special Meetings. A special meeting of the members may be called by resolution of the Board of Directors, or by the majority of the Board of Directors, or upon written request signed by at least ten percent (10%) of all the members. It shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the service area of the Cooperative in the County of Cassia, State of Idaho, specified in the notice of the special meeting.

Section 2.1. Membership List. The Cooperative shall maintain a written or electronic record of current Members in a form permitting the Cooperative to (1) alphabetically list the names and addresses of all Members and (2) indicate the number of votes each Member is entitled to cast (“Membership List”).

Except as otherwise provided by these Bylaws or the Board, a person may not inspect, copy, or receive a copy of all or part of the Membership List or a similar list of Members.

Instead of making the Membership List available for inspection or copying or providing a copy of the Membership List to any member requesting the same, the Cooperative may, within five days of receiving a notice or request from a Member for a Membership List, offer the Member an alternative method for reasonably and timely accomplishing the legitimate purpose identified by the Member without providing access to or a copy of the Membership List. A Member accepting such an alternative method shall pay the Cooperative a reasonable charge determined by the Cooperative covering the labor and material costs of producing, reproducing, copying, or transmitting the information requested by the Member, which charge may not exceed the estimated costs of producing, reproducing, copying, or transmitting the information.

Except as otherwise provided by the Board, a Person shall comply with any reasonable terms, conditions, or requirements imposed by the Cooperative to protect against the use of all or part of the Membership List for improper purposes or prohibited uses.

Section 3. Notice of Members’ Meetings. Written or printed notices stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered not less than ten (10) days before the date of the meeting, either personally or by mail or email, by or at the direction of the Secretary, or upon a default in the duty by the Secretary, by the persons calling the meeting to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of any annual or special meetings of the members shall not invalidate any action that may be taken at any such meeting, provided notice has been mailed pursuant to the requirements of these Bylaws.

Section 4. Quorum. At least five percent (5%) of the total membership must be present, in person or represented by proxy, to constitute a quorum for the transaction of all meetings of the membership.

Section 5. Voting. Each member shall be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members. At all meetings of the members at which a quorum is present, all questions shall be decided by a vote of a majority of the members voting thereon in person, by proxy, or absentee, except as otherwise provided by law, the Articles of Incorporation of the Cooperative, or these Bylaws. Those holding a joint membership shall jointly be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members.

A corporation or partnership shall have the same rights and privileges in the Cooperative as to natural persons, including, but not limited to, voting in elections and signing petitions. A corporation or partnership shall vote or otherwise act by and through its majority stockholder or a general partner. If most of the stock or a partnership is owned by more than one (1) person, the corporation or partnership must furnish the Cooperative a written designation stating the name of the majority stockholder or general partner who is authorized to vote or otherwise act for the corporation or partnership. If the majority or designated shareholder or partner is married, his or her spouse shall have the same rights and privileges in the conduct of the Cooperative business as do the spouses of individual members of the Cooperative. A person, or the spouse of a person, voting for a corporation or partnership shall not be entitled to vote again as an individual unless holding a separate individual membership.

The election of directors shall be by secret ballot. Each member may cast one (1) vote for each director position. The candidate receiving the highest number of votes for each position shall be elected for the term specified in Section 2 of Article IV of these Bylaws.

Section 6. Proxies. At all meetings of the members, a member may vote by proxy executed in writing by the member; provided, however, only designated corporate representatives or partners and members of the Cooperative and spouses of members may become proxies; and spouses of members may become a proxy for another member even though the member votes for a joint husband and wife membership and/or becomes a proxy. Such a proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be voted at any meeting of the members unless it shall designate the meeting at which it is to be voted, and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. No person shall vote as a proxy for more than one member at any meeting of the members, and no proxy shall be valid after eleven (11) months from the date of its execution. The presence of a member or representative of a corporation or partnership member at a meeting of the members shall revoke a proxy theretofore executed by him, and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he, she or it had not executed a proxy.

Section 7. Absentee Balloting. All members are encouraged and urged to attend the annual meeting to facilitate broader member participation. Members will be allowed to vote by absentee ballot in the election process. The Board of Directors shall determine the precise procedure for voting by absentee ballot. Such procedures shall include.

- (a) Type of application and method of applying for absentee ballot.
- (b) A listing to be sent to the requesting member, with pictures (as available), a brief biography, and a statement of each candidate for the director to be voted on.

(c) A ballot with the name of all candidates for director on the Board whether nominated by committee or by petition.

(d) A printed ballot with a description of any proposal(s) or business that at the time notice is sent, is known, or proposed to be voted on at the time of the mailing of the ballot.

(e) An addressed envelope within which to return the ballot.

(f) A means of providing for the said ballot to remain secret and confidential.

(g) All absentee ballots must be received at the Cooperative's office in Declo, Idaho, by the time the member meeting commences on the date of that meeting.

(h) Absentee ballots may be hand delivered to the Cooperative's office in Declo, Idaho, by the time the member meeting commences on the date of that meeting.

(i) The absentee ballot and/or proposals shall be sent to each member of record applying for same within twenty-four (24) hours after receipt of the application, therefore, unless the applicant shall choose to appear at the Cooperative's office no later than the time the member meeting commences on the date of that meeting, to request and cast said ballot, or vote on any proposals.

Section 8. Nominating, Credentials, and Election Committee. At least forty-five days before the Member Meeting, the Board shall appoint a Member Nominating, Credentials, and Election Committee consisting of at least one Member from each Director District and consisting of an uneven number of unsuspended Members. ("NC&E Committee"). Committee members may not be an existing or a Close Relative of an existing Cooperative Official or known Director Candidate. As determined by the Board, the Cooperative may compensate or reimburse NC&E Committee members.

(a) At least thirty (30) days before the Member Meeting at which Members are scheduled to elect Directors, the NC&E Committee shall meet and:

(1) elect a chairperson and secretary.

(2) establish or approve the manner or method of Director nomination, Member registration, and voting.

(3) nominate at least one individual to run for election for each Director position nominated by or from the Members and scheduled for election by Members at the Member Meeting ("NC&E Committee Nominations"); and

(4) display the NC&E Committee Nominations at the Cooperative's principal office.

(5) If, before the scheduled election, an NC&E Committee Nominee dies, becomes incapacitated, or ceases to be qualified to be a director, then the NC&E Committee may nominate another individual.

(6) oversee or supervise Member registration and voting and the tabulation of Member votes.

(7) consider and decide all questions, issues, or disputes regarding (A) Director Nominations; (B) Member registration and voting, including the determination of Members present and the validity of Mail & Absentee Ballots and Member Proxy Appointments; (C) the tabulation or count of Member votes, including the determination of vote results; and (D) whether a Director nominee or newly elected Director satisfies the Director Qualifications (collectively, “Member Meeting Issues”).

(b) In addition to NC&E Committee Nominations, Members may nominate, through petition, individuals to run for election for a director position scheduled for election by Members at the Member Meeting (“Member Petition Nominations”). Members make Member Petition Nominations by delivering to the Cooperative at least fifteen business days before the Member Meeting a writing for each Member Petition Nomination (“Member Petition”):

(1) listing on each page of the Member Petition the name of the Member Petition Nominee.

(2) indicating on each page of the Member Petition the Director position for which the Member Petition Nominee will run; and

(3) containing the printed names, addresses, telephone numbers, and original dated signatures signed within fifteen days of the first signature of at least ten qualified Members.

(4) After verifying that a Member Petition complies with this Bylaw, the Cooperative shall display the Member Petition Nomination in the same location as the NC&E Committee Nominations.

(c) At least ten days before a Member Meeting at which Members are scheduled to elect Directors, the Cooperative shall notify Members of the:

(1) Director positions scheduled for election by Members.

(2) names and corresponding Director positions of all NC&E Committee Nominations; and

(3) names and corresponding Director positions of all Member Petition Nominations.

(4) In campaigning or soliciting votes for election, a nominated individual shall comply with any reasonable rules, requirements, or procedures prescribed by the Board, which rules, requirements, and procedures must apply equally to all nominated individuals.

(d) During or within a reasonable time before the Member Meeting for which the NC&E Committee was appointed, the NC&E Committee shall:

(1) Meet, consider, or decide Member Meeting Issues, or otherwise act, only if a majority of the NC&E Committee members are present. An NC&E Committee decision or action requires a vote of at least a majority of the NC&E Committee members present. Except as otherwise provided in this Bylaw, NC&E Committee decisions or actions during or within a reasonable time before or after a Member Meeting are final. At the Cooperative's expense, the Cooperative shall make available legal counsel to the NC&E Committee. As used in this Bylaw, Member voting includes voting by Mail or Absentee Ballot, Member Proxy, Written Ballot, or voice.

(e) A Member entitled to vote at a Member Meeting may comment upon a Member Meeting Issue or challenge the NC&E Committee's decision or action regarding a Member Meeting Issue by filing a written description of the Member's comment or challenge ("Member Challenge") with the Cooperative within three business days following the Member Meeting addressed by the Member Challenge.

(1) Within thirty days of receiving a Member Challenge, the NC&E Committee shall:

i) as determined by the NC&E Committee, meet and receive oral or written evidence from a member or legal counsel representing a member directly and substantially implicated in, or affected by, the Member Challenge; and

ii) consider, decide, and rule on the Member Challenge.

(2) The NC&E Committee's decision regarding a Member Challenge is final. Upon written request by a Member received by the NC&E Committee within thirty (30) days of an NC&E Committee decision or action, the NC&E Committee shall prepare a written report summarizing and explaining the NC&E Committee's decision or action. The failure of the Cooperative or the NC&E Committee to function as required by this Bylaw shall not affect a vote, Director election, or other action taken at a Member Meeting.

Section 9. Order of Business. The order of business at annual meetings of the members, and so far as possible at all other meetings of the members, shall be as follows.

(a) Determination of the presence of a quorum.

(b) Reading of unapproved minutes of previous meetings of the members and taking necessary action thereon.

(c) Presentation and consideration of, and acting upon, reports of officers, directors, and committees.

(d) Election of directors.

(e) Unfinished business.

(f) New business.

(g) Adjournment.

#### ARTICLE IV. DIRECTORS

Section 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of five (5) directors, which shall exercise all the powers of the Cooperative except such as are by law or by the Articles of Incorporation of the Cooperative or by these Bylaws conferred upon or reserved to the members.

Each director's position shall be designated by number – Director #1, Director #2A, Director #2B, Director #3A, and Director #3B. Nominations for director shall be by position number.

Section 2. Qualifications and Tenure. Directors shall be elected by ballot or by voice vote if there is no competition for the seats or seats to be filled by and from the members. All directors shall be elected for a term of three (3) years until their successors have been elected and qualified. No member or a shareholder or partner of a member shall be eligible to become or remain a director who does not receive electric service from the Cooperative or who is in any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to a Cooperative. When spouses jointly hold a membership, either one, but not both, may be elected a director. No more than one shareholder of a corporation or more than one partner of a partnership may be a director. Nothing in this section contained shall or should be construed to affect in any manner whatsoever the validity of any action taken at any Board of Directors meeting. Upon establishing that a director is holding office in violation of any of the foregoing provisions, the Board of Directors shall remove such director from office.

Section 3. Vacancies. Subject to the provisions of these Bylaws with respect to the removal of directors, vacancies occurring in the board of directors shall be filled by a majority vote of the remaining directors, and directors thus elected shall serve until the next annual meeting of the members or until their successors shall have been elected and shall have qualified.

Section 4. Rules and Regulations. The board of directors shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation of the Cooperative, or these Bylaws, as it may deem advisable for the management, administration, and regulation of the business and affairs of the Cooperative, and upon notice given thereof to the members, such policies, rules, and regulations shall become as binding upon the members as if they were contained in these Bylaws.

Section 5. Accounting System and Reports. The board of directors shall cause to be established and maintained a complete accounting system, which, among other things, subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated.



The board of directors shall also, within thirty (30) days after the close of each fiscal year, cause to be made a full and complete audit of the accounts, books, and financial condition of the Cooperative as of the end of this fiscal year. A summary of such an audit report shall be read to the members at the following annual meeting. The annual audit shall be subject to inspection by any member of the office of the Cooperative and a copy furnished at the member's written request.

Section 6. Assessments of Members. The Board of Directors shall have the power to make and levy any calls, levies, or assessments on members at any time for the purpose which, in the opinion of the Board of Directors, is in the best interests of this Cooperative.

Section 7. Removal of Directors. Any member may bring charges against a director by filing them in writing with the Secretary, together with a petition signed by ten percent (10%) of the members, requesting the removal of the director in question. The removal shall be voted upon at the members' next regular or special meetings. Removing the director shall require the affirmative vote of two-thirds (2/3) of the mem. s voting thereon in person or by proxy at a meeting where a quorum is present; and any vacancy created by such removal may be filled by the members at such meeting. The director against whom such charges have been brought shall be informed in writing of the charges at least ten (10) days before the meeting and shall have the opportunity at the meeting to be heard in person or by counsel and present evidence. The person or persons who bring the charges against him or her shall have the same opportunity.

Section 8. Nominations. Any ten (10) or more members may make nominations by petition. Corporate representatives and partnership representatives may join in the petition. Nominations made by petition, if any, received at least fifteen (15) days before the meeting shall be included on the official ballot.

Section 9. Compensation. Members of the Board of Directors shall not receive any salary for their services as such, except that the Board of Directors may by resolution authorize a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings of the board of directors, annual meetings of the members, conferences, trading programs or performing committee assignments when authorized by the board of directors. If authorized by the board of directors, any board member may also be reimbursed for expenses actually and necessarily incurred in conducting the Cooperative business or granted a reasonable per diem allowance by the board of directors in lieu of detailed accounting for some of those expenses.

## ARTICLE V. MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A regular board of directors meeting shall be held monthly at such time and place within the service area and within the County of Cassia, State of Idaho, as the board of directors may provide by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof; provided that a copy of such resolution shall be delivered to any director not present when it was adopted at least five (5) days prior to the first regular meeting held pursuant thereto.

Section 2. Special Meetings. The President or any three (3) directors may call special meetings of the board of directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for the holding of any special meeting of the Board of directors by them.

Section 3. Notice. Notice of the time, place, and purpose of any special Board of Directors meeting shall be given at least five (5) days before, by written notice, delivered personally or mailed to each director at this last known address. If mailed, such notice shall be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. The attendance at any meeting of a director shall constitute a waiver of notice of such meeting, except in case a director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

Section 4. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business of the Cooperative at any meeting of the Board of Directors, provided that if less than a majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 5. Manner of Acting. The act of most of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

## ARTICLE VI. OFFICERS

Section 1. Number. The officers of the Cooperative shall be a President, Vice-President, Secretary, Treasurer, and such other officers as may be determined by the board of directors from time to time. The same person may hold the offices of Secretary and Treasurer.

Section 2. Election and Term of Office. The officers shall be elected by secret ballot or by voice vote if there is no contest for the seat or seats to be filled annually by and from the board of directors at the first meeting of the board of directors held after each annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be.

Each officer shall hold office until the first meeting of the members or until his or her successor shall have been duly elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of officers.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Cooperative will be served thereby.

Section 4. Vacancies. Except as otherwise provided in these Bylaws, the board of directors may fill a vacancy in any office for the unexpired part of the term.

Section 5. President. The President:

(a) Shall be the principal executive officer of the Cooperative and shall preside over all meetings of the members and of the board of directors.

(b) Shall sign, with the Secretary, certificated of membership, the issue of which shall have been authorized by resolution of the board of directors or the members, and may sign any deeds, mortgage, deeds of trust, notes, bonds, contract or other instruments authorized by the board of directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board of directors or by these Bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and

(c) In general, shall perform all duties incident to the office of the President and such other duties as may be prescribed by the board of directors from time to time.

Section 6. Vice President. In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned to him by the board of directors.

Section 7. Secretary. The Secretary shall:

(a) Keep the minutes of the members and the board of directors in one or more books provided for that purpose.

(b) See that all notices are duly given by these Bylaws or as required by law.

(c) Be custodian of the corporate records and of the seal of the Cooperative and see that the seal of the Cooperative is affixed to all certificates of membership prior to the issue thereof and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provision of these Bylaws.

(d) To keep a register of the post office address of each member, which shall be given to the Secretary by each member.

(e) Sign with the President certificates of membership, the issue of which shall have been authorized by the board of directors or the members.

(f) Have general charge of the books of the Cooperative in which a record of the members is kept.

(g) Always keep on file a complete copy of the Bylaws of the Cooperative containing all amendments thereto, properly certified by most of the directors and the Secretary, which copy shall always be open to the inspection of any member, and at the expense of the Cooperative, forward a copy of the Bylaws and of all amendments thereto to each member.

(h) In general, perform all duties incident to the office of the Secretary and such other duties as may be assigned to him by the board of directors from time to time.

Section 8. Treasurer. The Treasurer shall:

(a) Have charge and custody of and handle all funds and securities of the Cooperative.

(b) Receive and give receipts for money due and payable to the Cooperative from any source whatsoever, and deposit all such money in the name of the Cooperative in such bank or banks as shall be selected by the provisions of these Bylaws; and

(c) In general, perform all duties incident to the office of Treasurer and such other duties as may be assigned to him by the board of directors from time to time.

Section 9. General Manager. The board of directors may appoint a manager who may be, but who shall not be required to be, a member of the Cooperative. The Manager shall perform such duties as the Board of Directors may need from him or her from time to time and shall have such authority as the Board of Directors may vest in him or her from time to time.

Section 10. Bonds of Officers. The Board of Directors may require the Treasurer or any other officer of the Cooperative charged with the responsibility for the custody of any of its funds or property to give bond in such sum and with such sureties as the Board of Directors shall decide. The board of directors, in its discretion, may also require any other officer, agent, or employee of the Cooperative to give bond in such amount and with such surety as it shall decide.

Section 11. Reports. The officers of the Cooperative shall give at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year and showing the conditions of the Cooperative at the close of such fiscal year.

**ARTICLE VII. CONTRACTS, CHECKS AND DEPOSITS**

Section 1. Contracts. Except as otherwise provided in these Bylaws, the board of directors may authorize any office or officers, agent or agents, employee or employees, to enter any contract or execute and deliver any instrument in the name and on behalf of the Cooperative. Such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, all checks, drafts, or other orders for the payment of money. All notes, bonds, or other evidence of indebtedness issued in the name of the Cooperative shall be signed by such officer or officers, agent or agents, employee or employees, of the Cooperative and in such manner as shall from time to time be determined by resolution of the board of directors.

Section 3. Deposits. All funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the board of directors may select.

**ARTICLE VIII. MEMBERSHIP CERTIFICATES**

Section 1. Certificates of Membership. Membership in the Cooperative shall be shown by a certificate of membership which shall be in such form and shall contain such provisions as shall

be determined by the board of directors not contrary to, or inconsistent with, the Articles of Incorporation of the Cooperative or these Bylaws. The member certificate will be signed by the President and the Secretary of the Cooperative and have the corporate seal affixed.

Section 2. Issue of Membership Certificates. No membership certificates shall be issued for less than the fee for membership fixed in these Bylaws, nor until such membership fee has been fully paid for in cash, and such payment has been deposited with the Treasurer.

Section 3. Lost Certificate. A new certificate may be issued upon such terms and indemnity to the Cooperative as the board of directors may prescribe in case of a lost, destroyed, or mutilated certificate.

## ARTICLE IX. NON-PROFIT OPERATION

Section 1. Interest or Dividends in Capital Prohibited. The Cooperative shall sometimes be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital its patrons give.

Section 2. Patronage Capital in Connection with Furnishing Electric Energy. In furnishing electric energy, the Cooperative's operations shall be so conducted that all members will, through patronage, furnish capital for the Cooperative. To induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its members for all amounts received and receivable from the furnishing of electric energy more than operating costs and expenses properly chargeable against the furnishing of electric energy.

All such amounts, more than operating costs and expenses now of receipt by the Cooperative, are received with the understanding that they are furnished by the members as capital. The cooperative is bound to pay by credit to a capital account for each member all such amounts more than operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year, the amount of capital, if any, so furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member. The Cooperative shall notify each member of the amount of capital credited to his account within a reasonable time after the close of the fiscal year. All such amounts credited to the capital account of any member subject to the right of the Cooperative to use the same shall have the same status as though they had been paid the member in cash in pursuance of a legal obligation to do so, and the member had then furnished the Cooperative corresponding amounts for capital.

In case of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative has been paid, outstanding capital credits shall be retired without priority on a pro-rata basis before any payments are made on account of the property rights of members.

If, at any time prior to dissolution or liquidation, the board of directors shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to members' accounts may be retired in full or in part. Any such retirement of capital shall be made

in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Cooperative being first retired.

Capital credited to the account of each member shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only the successor's interest or successors in occupancy in all or part of such member's premises served by the Cooperative, unless the board of directors, acting under policies of general application, shall determine otherwise.

Notwithstanding any other provisions of these Bylaws, the board of directors, at its discretion, shall have the power at any time upon the death of any member who was a natural person if the legal representative of his estate shall request in writing that the capital credited to any such member be retired prior to the time such capital would otherwise be retired under the provisions of these Bylaws, to retire capital credits to any member immediately upon such terms and conditions as the board of directors, acting under policies of general application, and the legal representatives of such member's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

Suppose the owner of any unclaimed capital credit has not been located and the funds have not been returned to the owner within four (4) years after they have been determined to be unclaimed, notwithstanding any other provision of law to the contrary. In that case, the Cooperative may use the funds for the benefit of the general membership of the Cooperative or for the communities it serves, as determined by its board of directors. (added 10/08/2024)

The members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Cooperative and each member. Both the Cooperative and the members are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions. The provisions of this Article of the Bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office.

#### ARTICLE X. WAIVER OF NOTICE

Any member of the directors may waive, in writing, any notice of meetings required to be given by these Bylaws. The attendance of a member or director at any meeting shall constitute a waiver of such meeting by such member or director, except in case a member or director shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

#### ARTICLE XI. DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease, or otherwise dispose of or encumber any of its property other than:

(a) Property which, in the judgment of the board of directors, neither is nor will be useful or necessary in operating and maintaining the Cooperative's system and facilities; provided, however, that all sales of such property shall not, in any one (1) year exceed in value ten percent (10%) of the value of all the property of the Cooperative.

(b) Services of all kinds, including electric energy; and

(c) Personal property acquired for resale, unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a regular or special meeting of the board of directors by the affirmative vote of at least three-fifths (3/5) of the entire membership of the board of directors, and is thereafter authorized at a regular or special meeting of the members by the affirmative vote of at least two-thirds (2/3) of the total membership, and the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of both of the said meetings, provided, however, that notwithstanding anything herein contained, the board of directors, without authorization by the members, shall have full power and authority to borrow money from the United States of America, or any agency or instrumentality thereof, or any other public or private loaning agency, and in connection with such borrowing to authorize the making and issuance of bonds, notes, or other evidences of indebtedness; and to secure the payment thereof, to authorize the execution and delivery of a mortgage or mortgages, or a deed or deeds of trust upon, or the pledging, or encumbering of any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, all upon such terms and conditions as the board of directors shall determine.

#### ARTICLE XII. FISCAL YEAR

The fiscal year of the Cooperative shall begin on the first day of December and end on the thirtieth day of November of the following year.

#### ARTICLE XIII. MEMBERSHIP IN OTHER ORGANIZATIONS

The Cooperative shall not become a member of or purchase stock in any other organization without an affirmative vote of the members at a meeting called as provided in these Bylaws, and the notice of the said meeting shall specify that action is to be taken upon such proposed membership or stock purchase as an item of business; provided, however, that the Cooperative may, upon the authorization of the board of directors, purchase stock in or become a member of any corporation, organization, or cooperative organized on a non-profit basis for the purpose of engaging in or furthering the cause of providing financing for rural electrification or of any other corporation for the purpose of acquiring electric facilities.

#### ARTICLE XIV. SEAL

The corporate seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal, Idaho."

## ARTICLE XV. RULES OF ORDER

The Cooperative hereby adopts as its official rule book for parliamentary procedure, for use at its meetings, Roberts Rules of Order, together with all amendments thereto. Said rules will govern procedure in all meetings of the Cooperative, both membership meetings and meetings of the board of directors.

## ARTICLE XVI. AMENDMENTS

These Bylaws may be altered, amended, or repealed by the members at any regular or special meeting, provided notice of such meeting shall have contained a copy of the proposed alteration, amendment, or repeal. The alteration, amendment, or repeal of the Bylaws must be certified by most of the directors and the Secretary of the Cooperative and recorded in the book of Bylaws kept in the Cooperative's registered office. The date of the meeting at which the alteration, amendment, or repeal was enacted must be stated in the margin of the place where the original form of bylaw altered, amended or repealed appears. A reference must also be made to the page of the book and Bylaw where the alteration, amendment, or fact of repeal is stated. The alteration, amendment, or repeal shall not take effect until the provision of this Article is fully complied with.

Amended February 12, 1991.  
Amended February 23, 2004.  
Amended February 9, 2011.  
Amended February 7, 2022  
Amended October 8, 2024  
Amended January 23, 2025

This policy supersedes any existing policy which may conflict with the provisions of this policy.

SOUTH SIDE ELECTRIC, INC. GENERAL POLICY #4.03

SUBJECT: LINE EXTENSION AND/OR RECONSTRUCTION

### I. PURPOSE

This policy explains the terms and conditions under which electric service shall be made available or reconstructed to persons wanting service or service changes in the Cooperative's service area.

### II. POLICY

It shall be the policy of the Cooperative to provide service to any consumer/member located in its service area who follows the By-Laws, Service Rules, and Regulations and who meets the requirements of this policy. No extension shall be constructed that will not pay for its original cost.



### III. RESPONSIBILITY

The Board of Directors, General Manager and Employees

### IV. PROVISIONS

- A. Cost for standard transformers and standard meters shall be included when calculating line extension costs.
- B. Any line reconstruction or relocation solely for the benefit of the members will be paid in full by the member in the next monthly billing cycle. If there is a benefit to the Cooperative, the Cooperative may participate with the member in the cost.
- C. Extension: Any continuation of existing distribution facilities owned by the Cooperative or the modification of an existing service.
- D. Permanent Service: Service to the consumer whose service use can be assured, both as to the revenue and continued use. Existing services meeting these requirements are grandfathered into this definition.
- E. Indeterminate or Speculative Service. Service to consumers whose use of the service is not assured as to the amount of revenue and or continued use.
- F. Temporary Service: Service whose use is for a period of time(not to exceed 90 days) at the end of which the facilities will no longer be needed and, in all probability, will be removed.
- G. Idle Service: A service for which the Cooperative receives no revenue.
- H. Non-Use Service: A service that uses no kilowatt hours during the year but continues to pay the appropriate minimums.
- I. Upgrade/Relocation: A request by a consumer to upgrade or relocate a service (domestic/irrigation/commercial)
- J. Applicant: Shall be any membership
- K. Minimum: A charge for available service as established by the appropriate rate schedule.
- L. Contribution in aid of construction: Payments made prior to the commencement of construction.
- M. Cost of Line: The cost of the line will include transformers and metering equipment.
- N. Primary Line Extension: Any primary line, including the setting of an insert pole in the existing primary line.

- O. Established Line: Any of the Cooperative's distribution facilities in place for three or more years.
- P. Developer: Any individual or entity that requests a line extension for the purpose of making electrical service available to subdivisions or multiple parcels.
- Q. Subdivision: An area composed of sub-divided lots with the speculation of homes being built

#### V. EXTENSIONS TO PERMANENT SERVICE.

- A. A new extension may be constructed after the customer pays a Contribution in Aid of construction of no less than 100% for the estimated cost of construction and procures a membership under the guidelines of the Consumer Accounting Practices Policy #3.0J. All extension is built under standards, specifications, and requirements determined by the Cooperative and all federal, state, and local codes. All services will be charged the annual or monthly minimum according to the current appropriate rate schedule minimums, which is due during the life of the service.
- B. When a consumer requests that a line be extended to a service or replace an existing overhead service with primary underground, this cost will be paid in full in the next month's billing cycle, with the consent and approval of the Cooperative.

#### VI. REMOVAL OF EXISTING SERVICE

If removal of an extension or service is requested by a member in writing, and all obligations and minimums have been paid, The Cooperative may remove the extension or service at their discretion. The Cooperative reserves the right to remove the facilities that have not been used for one year.

Facilities shall be removed only after providing a sixty (60) day notice to the last member served at the property and the property owner, after providing them a reasonable opportunity to respond. Easements for such facilities shall be released by the Cooperative when no longer needed if a recorded document has been previously procured. If a service is removed at the request of the owner or at the cooperative's discretion after the 60-day notice has been served on the last known property owner. If a service is removed after 5 years of use, the customer will be given no credit for the equipment removed. If the service is less than 5 years after the new installation, a reimbursement for serviceable equipment shall be a 20% reduction of wholesale cost for each year up to the 5 years the service was energized.

For clarification, if a service were installed and a year later it was upgraded, the customer would be reimbursed 80% of the wholesale cost, the second-year customer would be reimbursed 60%, the third year 40%, the fourth year 20%, and the fifth year 0%. It will be at the discretion of South Side Electric to determine the equipment's future reusability and/or serviceability.

#### VII. ACTIVATION OF IDLE SERVICES

- a. Comply with the terms of this policy.
- b. Compliance under the terms of Consumer Practices Policy 3.0I.
- c. All idle services before activation shall be inspected and shall not be energized unless the service has been built under current standards, specifications, and requirements as

determined by the Cooperative and all federal, state, and local codes. All upgrades to bring the service up to current standards shall be at the member's cost.

### VIII. INDETERMINATE or SPECULATIVE SERVICE

- a. If a service is indeterminate or speculative, such as an extension to a mine (Bitcoin), a cash payment, or an acceptable letter of credit equal to the estimated cost of construction and retirement, if applicable, must be received by the Cooperative prior to the start of construction. If the indeterminate or speculative service is removed after 5 years of use, there will be no credit given to the customer for the removed equipment. If the service is less than 5 years of the new installation, a reimbursement for serviceable equipment shall be a 20% reduction of wholesale cost for each year up to 5 years the service was energized. For clarification, if a service were installed and a year later it was upgraded, the customer would be reimbursed 80% of the wholesale cost, the second-year customer would be reimbursed 60%, the third year 40%, the fourth year 20%, and the fifth year 0%. It will be at the discretion of South Side Electric to determine the equipment's future reusability and/or serviceability.
- b. The Cooperative will consider any extension to an irrigation service as speculative until the quality and quantity of water have been established to the satisfaction of the Cooperative.
- c. Any development that is considered by the Cooperative as a subdivision, housing development, or other similar land development will be classed as indeterminate or speculative, and the developer will be responsible for making the required payments or satisfactory guarantee the payment of the extension serving the area being developed prior to the start of construction. Either the property owner or the developer will be required to pay for the service drops.

### IX. TEMPORARY SERVICE

Where the proposed extension is to supply service to the consumer or applicant whose use appears to the Cooperative to be temporary and limited or short duration with specific use contemplated, the consumer or applicant shall advance to the Cooperative the estimated cost of construction, including the cost of retirement. In the event the temporary service is removed, after 5 years of use there will be no credit given to the customer for the equipment removed.

If the service is less than 5 years of new installation, a reimbursement for serviceable equipment shall be a 20% reduction of wholesale cost for each year up to 5 years the service was energized. For clarification, if a service were installed and a year later it was upgraded, the customer would be reimbursed 80% of the wholesale cost, the second-year customer would be reimbursed 60%, the third year 40%, the fourth year 20%, and the fifth year 0%. It will be at the discretion of South Side Electric to determine the equipment's future reusability and/or serviceability.

### XI UPGRADE/RE-LOCATION

- A. Upgrade: The upgrading of existing facilities shall be provided for by the Cooperative under standards, specifications, and requirements as determined by the Cooperative and all federal, state, and local codes. Such upgrading, when requested by a member, shall be paid for at the expense of the member requesting the service or otherwise

terms and conditions approved by the Board of Directors. If a service is upgraded after 5 years of use, no credit will be given to the customer for the removed equipment. If the service is less than 5 years of new installation, a reimbursement for serviceable equipment shall be a 20% reduction of wholesale cost for each year up to 5 years the service was energized. For clarification, if a service were installed and a year later it was upgraded, the customer would be reimbursed 80% of the wholesale cost, the second-year customer would be reimbursed 60%, the third year 40%, the fourth year 20%, and the fifth year 0%. It will be at the discretion of South Side Electric to determine the equipment's future reusability and/or serviceability.

- B. Relocation: The relocation of existing facilities, when requested by a member, regardless of whether such facilities are located on a member's property or on a public right of way, shall be provided for by the Cooperative under standards, specifications, and requirements as determined by the Cooperative and all federal, state and local codes.

The costs of such relocation shall be paid for by the member requesting such relocation or otherwise terms and conditions approved by the Board of Directors. In relocating an existing service, the service must be up to current standards, specifications, and requirements as determined by the Cooperative and all federal, state, and local codes. If it is determined that the service will need to be upgraded to bring up to current standards, the cost shall be paid for at the expense of the member requesting the service or otherwise terms and conditions approved by the Board of Directors.

#### XII. DEVELOPERS/SUBDIVISIONS

- A. Extension to Subdivisions and Multiple Parcels: Developers that wish to have the primary service installed to the subdivision or multiple parcels will require General Manager approval.
- B. Developers of the subdivision will be required to provide the Cooperative with maps of the subdivision and easement for all trunk lines and expected line locations, as well as egress from the lots or subdivision.
- C. The Cooperative reserves the right to determine the terms and conditions under which it will provide electrical and related services to individual lots within a subdivision. The Cooperative will only provide electrical and related services to such lots pursuant to a written agreement with the developer of a subdivision or owners of the subdivision lots. The Cooperative will require all estimated costs for the installation of underground or overhead, primary or secondary, to be paid prior to installation. Any construction, if done by a developer, must be with the consent and approval of the Cooperative under standards, specifications, and requirements as determined by the Cooperative and all applicable federal, state, and local codes.

#### XIII. GENERAL CONDITIONS

- A. Ownership: The Cooperative will own, operate, and maintain all primary voltage extensions constructed under this policy.
- B. Procurement right-of-way: Members shall, without cost to the Cooperative, grant a right of way for the Cooperative facilities across or on property owned and controlled by a member for the purpose of supplying electrical power and related

services to the member. The property owner shall grant the right-of-way to the Cooperative in an agreement that shall be recorded with the applicable county recorder. Members shall always provide access to right-of-way to the Cooperative personnel. Any fees or expenses incurred in the acquisition of a Right of Way permit shall be at the consumer's expense and paid for by the consumer in advance based on the Co-op estimate. Otherwise, the consumer may acquire on behalf of the Co-op. All existing lines installed before the required R.O.W. will be grandfathered in and will be considered a Right of way by the cooperative, and the cooperative will have full access to all equipment using 20' foot easements.

- C. Terms of Agreement: All line extensions shall be paid by the member or applicant member requesting said service in accordance with the policies set in place. Any primary construction, if done by a member, must be with the consent and approval of the Cooperative under standards, specifications, and requirements as determined by the Cooperative and all applicable federal, state, and local codes.
- D. Sharing of extensions:
  - 1. Two or more applications for electrical service may share the costs of an extension.
  - 2. An applicant for electrical service or services whose service will be supplied by an extension that has been paid in full (including sub-division) will be required to pay a proportionate share for the extension. Payment will be made to the Cooperative who in turn will reimburse the original member. Each applicant's proportionate share will be based on the total cost and number of available services. In the case where the load added onto an extension will more than pay for the proportionate share of the extension costs, a reduction (credit) to the amount of the original minimum may be allowed. (See Attached Example)
- E. Developers of Subdivisions and Multiple Parcels:
  - 1. Developers shall purchase all equipment and primary wire to "All" parcels or lots in a new or addition to a subdivision and/or multiple parcels. Equipment and primary wire can be added if the proposed subdivision or multiple parcels are in multiple phases, depending on the circumstances.
  - 2. Each phase will be supplied with primary wire, transformers, and equipment, which will be pre-paid by the developer and installed completely at the time of the development.
  - 3. Metering and metering equipment will be at the property owners' expense from metering to electrical service on the property. All electrical metering will be located at the transformer location.

#### XIV. PRE-CONSTRUCTION COSTS

When a request for service requires outside consulting services or expenditure of labor and/or other resources in preparation of requested information, the Cooperative may require the party submitting the request to pay the estimated cost of preparing the needed material and information in advance.

Engineering and staking of line extensions shall be provided as a service except as follows:

- I. A \$85 fee will be required for a subsequent re-staking of the line due to requested changes or failure of the party requesting service to approve construction within six months from the initial date of staking.
2. Line extensions requiring board approval may be charged actual engineering expenses.
3. Any line extension requiring non-routine engineering design shall be charged actual engineering expenses.

#### XV. COOPERATIVE OWNERSHIP

All equipment, poles, lines, transformers, meters, wires, and electrical devices shall remain the property of the Cooperative. Any payment made by a member/consumer covering the cost of a line extension in conformity with the line extension policy, shall not construction be deemed to represent individual ownership of any portion of the facilities furnished by the Cooperative.

This policy will supersede any previous policies or rules and regulations.

#### GENERAL POLICY #404

#### SUBJECT: INTERCONNECTION WITH SMALL POWER AND CO-GENERATION PROJECTS

##### I.PURPOSE:

The purpose is to define the Co-op's responsibility with a qualified facility as spelled out in the Public Utility Regulatory Act policy of 1978 (PURPA).

##### II.POLICY:

It shall be the policy of the Cooperative to establish such procedures as will comply with the provisions and intent of the Public Utility Regulatory Act of 1978 (PURPA).

##### III.RESPONSIBILITY:

The System Engineer, Operations Manager, General Manager and Board of Directors

##### IV.PROVISIONS:

##### A.Definitions

- 1.South Side Electric, Inc. also called SSE or the Cooperative, or the Utility.
- 2.Public Utility Regulatory Act of 1978 is hereinafter referred to as PURPA.

3. A Q.F. is a Qualifying Facility to generate electrical energy, including but not limited to those systems defined as PURPA, Section 201.

4. The owner shall refer to any person who is responsible for the operation and maintenance of a Q.F. regardless of who the owner of the record is.

5. The term generator will include any equipment that is used to generate electrical energy, including, but not limited to, control and safety equipment. Generally, the meter is the dividing point between Utility and Q.F. facilities.

6. Any reference to energy rating is based first on the manufacturer's name plating or else on the electrical value of the produced voltage multiplied by the current at an assumed unity power factor.

7. Avoided Energy Cost: The Bonneville Power Administration Tier 2 Load Following Rate as per the current Power Rate Schedules and General Rate Schedule Provisions.

8. Excess Generation Energy: Electrical energy in kWh generated by the Net Metering Facility that is surplus to the simultaneous electrical energy in kWh usage of the Member over the applicable billing period. (Generation energy minus energy usage of the Member equals Excess Generation Energy.)

9. Net Energy: Electrical energy in kWh usage of the Member that is more than the simultaneous electrical energy in kWh generated by the Net Meter Facility over the applicable billing period. (Energy usage of Member minus generation energy equals Net Energy.)

10. Net Metering Facility: a generating facility meeting the requirements as described below:

- 1) Generates electrical power using solar, wind, fuel cell, hydroelectric power, or other generation resources approved by the Cooperative.
- 2) Nameplate generation capacity of not more than 10 KW, Nameplate generation larger than 10 KW will be evaluated case-by-case.
- 3) Location on the Member's premises.
- 4) Interconnects and operates parallel with the Cooperative's existing distribution system.
- 5) Intended to offset part or all the Member's own electrical energy requirements.

B. Applications – Most installations will be classified in one of three categories:

1. Dedicated Loads – Water or space heating without any electrical connection to the Utility system.

2. Parallel Operations – 10 KW or less - This system generates energy while electrically interconnected with the Utility's system. The system may be either single or three-phase.

3. Parallel Operations over 10 KW – This system will be the same as the preceding system except its rating is over 10 KW.

C. Systems Requirements

1. Conditions applicable to all types of applications.

a. Systems may be single or three-phase except where a single phase will cause unacceptable imbalance or three-phase interconnection is unavailable.

b. To facilitate the planning and installation of a system, the Cooperative shall request the opportunity to inspect and discuss specifications and plans for the proposed system before the installation is made or, if possible, before the system is ordered. This will help assure compliance with Cooperative rules and regulations and allow the Cooperative to provide background information to the member. Such material may include, but is not limited to:

1. Source of driving energy and anticipated electrical capacity of the system.
2. Number of phases; manufacturer's technical data; including control, circuit, and safety information.
3. Proposed location; details of conditions for the installation and other environmental factors.
4. Proposed details of interconnection.
5. Time and characteristics of system generation.

c. Any person, persons, or entity wishing to install, operate, and interconnect a Q.F. to the Cooperative's electrical distribution system will be required to apply for membership in the Cooperative if not already a member of the Cooperative.

d. Any member-owned electrical generator that is to be connected and operated in parallel with the Cooperative's electrical distribution system must meet certain requirements to prevent endangering life and property.

1. The owner must comply with all local, state, and national codes and regulations.
2. The Cooperative shall reserve the right to inspect the generating facility at the time and to refuse service and/or disconnect the system, to protect the owner and the Cooperative's systems.

Such inspections shall not relieve the owner of any of his/her obligations under this policy.

Once the Cooperative's designated party has completed the post-installation/pre-operation inspection, the Cooperative shall not be obligated to perform any other inspections. In the event inspections are missed, it shall not be construed by the owner that the Cooperative is responsible for the safety of the Q.F. or that the Q.F. complies with all applicable rules or requirements.

The owner shall be responsible for all costs of owning and operating the generator, including any expense incurred by the Cooperative because of interconnecting with the Q.F.

The owner will maintain and service the generator system as necessary for safe, reliable operation.

The owner will keep a log of all operation and maintenance activities, which include, but are not limited to:

- a. When the system is shut down for maintenance and/or repair.
- b. The list of maintenance and/or repairs done or to be done.



c. The time the system can generate versus the time the system cannot generate due to problems other than the lack of prime driving force.

The owner will allow the Cooperative to review and/or copy the records that it deems appropriate.

If at any time there is reason to believe the Q.F. is interfering with the Cooperative's distribution system, the Cooperative may disconnect the Q.F. from its electrical system without liability.

Suppose additional qualifying facilities are interconnected, affecting the operation of the Cooperative's system. In that case, the Cooperative reserves the right to amend this policy and require the affected Q.F.s to comply by updating their system as required.

The owner of any generator system, whether interconnected with a utility or not, incurs substantial liability. While the Cooperative will provide liability insurance for the utility, the owner must understand that no insurance or other liability protection is provided to the owner. It is the firm recommendation of the Cooperative that the owner provide at least minimal liability protection for itself.

The generator system's metering shall be designed to show the generator output separately from the electricity purchased. This does not preclude the owner from paying his/her bill or the net difference if that is the desire.

The owner shall notify the Cooperative of any change in the functional design and/or mechanical/electrical portion of its system before the changes are made. This provides notice for the Cooperative to be aware of changes that may be unsafe or not in compliance with applicable regulations.

Conditions applicable to direct applications only: Since there are no electrical interconnections between the Cooperative and owner's system, the only other considerations would relate to equipment that may interfere with, contact or physically endanger the Cooperative's personnel, lines, and equipment, such as a tower, that may fall into the lines.

Conditions applicable to Q.F.'s, 10 KW or less in parallel operation: Because of the smaller size, the need for sophisticated control and protective equipment may be reduced, but the need for safety is not reduced in any way. Therefore, none of the considerations in section C-1 above are mitigated by this section.

The owner's system shall be protected so that a short circuit, due to any cause, will not damage the generator or any of its equipment.

In the event the Utility's source of energy is lost, the generating system must be electronically disconnected from the Cooperative's lines until the source can be re-established.

Conditions applicable to Q.F.'s 10 KW and over in parallel operation:

The owner must provide phase failure/reversal and voltage imbalance protection.

A disconnect that the Cooperative can control must be provided, allowing the Cooperative to lock the generator off the distribution lines.

In the event the Cooperative's source of energy is lost, the generating system must be electrically disconnected from the Cooperative's lines until the source can be re-established.

## Rates/Billing

Members with a Net Metering Facility will have two service points: 1) one service point for the Member's service to measure energy usage to obtain billing data, and 2) one service point for the Net Metering Facility to measure energy generation to obtain billing data. Each service point will be metered, and each service point will be billed a monthly Customer Charge.

1. Sale of Energy – If electrical energy supplied by the Cooperative during the billing period exceeds the electrical energy generated by the Net Meter Facility, the Member shall be billed per the Member's retail rate class as follows:
  - a. Customer charge for service meter
  - b. Customer charge for Net Metering Facility meter
  - c. Demand charge for the total load demand if a demand charge is applicable per the Member's rate class (\$/kWh).
2. Purchase of Energy - If electrical energy generated by the Net Metering Facility during the billing period exceeds the electrical energy supplied by the Cooperative, the Member shall be billed under the Member's retail rate class as follows:
  - a. customer charge for service charge.
  - b. Customer charge for Net Metering Facility meter.
  - c. Demand charge for the total load demand if a demand charge is applicable under the Member's rate class (\$/KW).

1. Reliability: Unless the Q.F. can be realistically expected to effectively reduce the demand charge from the Utility's wholesale supplier, there would be no savings to the Utility in the capacity or demand costs and no compensation would be included in the rate.

2. Size: Is the Q.F. capable of producing enough energy so relative administration costs are shared by enough KWHs so the average cost is reasonable? The SSE Board will establish a reasonable amount of energy annually to be \$250.00 worth.

3. PURPA regulations allow a distribution utility with a "needs" type of contract to use its suppliers' wholesale cost of power as the avoided cost. The following rates will be used:

Unreliable and/or 10 KW or less Q.F.:

**At the current time, South Side Electric, Inc. will not be purchasing power from customers.**

1. Since no effective saving on the demand costs will be realized by the Cooperative, there is no demand or capacity portion of this rate.

Dependable and over 10 KW Q.F.:

1. Wheeling costs and payments: Unless the size of the Q.F. and the available interconnection point are incompatible in size, there will be no charge for wheeling the Q.F.'s production to the Cooperative's wholesaler. If lines and/or facilities must be enlarged or otherwise altered to facilitate the

interconnection with the Q.F., costs, rates, and other pertinent factors will be negotiated at that time, recognizing that these costs are the responsibility of the Q.F.

#### E.General Policy Provisions

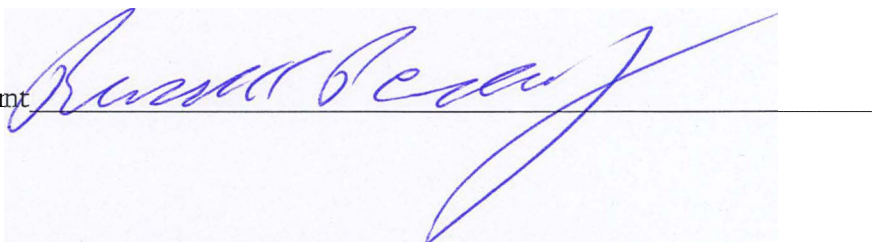
1. Aggregate Net Metering Generation. The aggregated level of net metering generation connected to the Cooperative shall be limited to 0.5% of the single-hour peak load for the previous year at a given substation. Requests for interconnection will be on a “first-come, first-served basis” as net metering capacity becomes available at the substation.
2. Written Agreement. Members are required to sign a Net Metering Agreement before receiving net metering service.
3. Deposit. The Cooperative shall require an advance deposit equal to the estimated interconnection cost provided by the Cooperative before proceeding with construction for the interconnection.
4. Costs. All costs incurred by the Cooperative resulting from interconnecting with the Member’s Net Metering Facility shall be paid for by the Member. The interconnection cost shall include all costs of connection, switching, metering, distribution, safety provisions, engineering, and administrative costs related to the installation and maintenance of the physical facilities necessary to interconnect with the Net Metering Facility. Ongoing maintenance costs of the Cooperative infrastructure used solely for the Net Metering Facility shall be paid for by the Member.
5. Interconnection. Authorization to interconnect is permitted only after all the requirements of the Cooperative are met, proof by the Member that all licenses, permits, or approvals necessary for operation have been obtained from applicable federal, state, or local authorities, and only after written approval by the Cooperative. Written authorization will not be issued until all interconnection costs are paid. Authorization to interconnect does not relieve the Member from the responsibility of installing, operating, and maintaining the Net Metering Facility in a responsible and safe manner.
6. Disconnection. If, in the opinion of the Cooperative, the Member fails to meet the requirements of the Cooperative, including subsequent operation of the Net Metering Facility in a non-qualifying manner, the Cooperative will no longer be obligated to operate in parallel and purchase any energy made available and will notify the member to disconnect the Net Metering Facility from the Cooperative’s system. In the event the Member fails to immediately comply with a notice to disconnect the Net Metering Facility, the Cooperative reserves the right to make such disconnection, including termination of electric service, if necessary,
7. Access. Employees and authorized representatives of the Cooperative have the right to enter the Member’s property at any reasonable time to ensure continued compliance with the Cooperative’s safety and operating standards, and the accuracy

of its meters. Such inspection by the cooperative shall not relieve the Member from the responsibility of installing, operating, and maintaining the Net Metering Facility in a responsible and safe manner.

8. Hold Harmless. The Cooperative is to be held harmless from all acts of omission on the part of the Member. The Cooperative will not assume any responsibility for the Net Metering Facility's protection or any portion of the Net Metering Facility's electrical equipment. The Member is fully responsible for protecting the Net Metering Facility and associated equipment so that faults or other disturbances on the cooperative's distribution system do not cause damage to the Member's equipment.
9. Testing. Prior to the initial energizing of the Net Metering Facility, inspection, and testing will be jointly performed by the Member and Cooperative personnel to verify the proper operation of the generator and related protective equipment. Ongoing testing will be required, at the expense of the Member, per industry standards.
10. Expansion. The Cooperative must review and approve any modification or expansion of the Net Metering Facility generation or protection equipment.

All policies in this handbook have been approved and supersedes any existing policy that may conflict with the provisions of this handbook.

Signature of Board President

A handwritten signature in blue ink, appearing to read "Russell Beatty", is written over a horizontal line. The signature is fluid and cursive.

Date 03/10/2025.