

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

SERVICE RULES AND REGULATIONS

100 ELECTRIC SERVICE AVAILABILITY

101 APPLICATION FOR MEMBERSHIP AND SERVICE

An applicant for electric service refers to any person, partnership, corporation, firm body politic, or others, who desire to become a member of and receive electric service from Mid-Carolina Electric Cooperative, Inc. "Cooperative".

Applications for service may be made either verbally or in writing, at the discretion of the Cooperative, at the Lexington or Dutch Fork facility. The applicant shall pay all fees and charges required by these Service Rules and Regulations. In the absence of a signed Service Agreement or Contract, the accepted application (by the Cooperative) or receipt of service (by member) shall constitute a contract between Mid-Carolina Electric Cooperative, Inc., and the member obligating that member to pay for all electricity used on the premises in accordance with the Cooperative's Rate Schedules as well as comply with its Service Rules and Regulations and Bylaws. Service Agreement, Membership or Deposit is transferable only from spouse to spouse at the member's request in writing or in the event of death of the member.

In the Application, or by accepting electricity from the Cooperative the Applicant agrees that any person residing at the service address listed in the Application, who has a past due account balance including any interest and penalties owed the Cooperative, shall have that past due account balance added to the Applicant's bill for the service address before the Cooperative will commence new service. If found later, the Applicant will become responsible for the past due balance and it must be paid upon the normal billing terms described in Service Rules and Regulations Section 400 once billed by the Cooperative. Failure to pay the past due amounts owed the Cooperative by other persons residing at the service address upon the terms and conditions set by Section 400 shall be a reason for denial or disconnection of service pursuant to Service Rule and Regulation 111.

An application must be placed in the name of the individual applying. The Cooperative may request two forms of positive identification when applying for membership.

A request for service will normally be completed within a two (2) day period for existing services. For all others, time to render service will be dependent upon the time required to accomplish this work. A person who stops receiving electricity from the Cooperative other than a temporary disconnect request, ceases to be a member of the Cooperative.

For reference see Appendix for copies of Application for Membership or Service, Contracts, and Surety Bond.

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102 SERVICE DEPOSITS

A. Residential Members

The Cooperative may charge a deposit if 1) the member's credit records indicate one is required or (2) if the credit status of the member cannot be determined. (Refer to Section 600B)

B. Commercial Members

The Cooperative may charge a deposit if the member's credit records indicate one is required. The maximum deposit will be equal to the two (2) highest consecutive months' billings based on the previous twelve (12) months or an estimated amount.

If a deposit is required for a commercial account, a surety bond, bank issued irrevocable letter of credit, or certificate of deposit (naming the Cooperative as trustee) may be used in lieu of cash.

A formal contract may be required for a commercial account.

C. Other

Members in this category will be considered on a case-by-case basis.

D. Exemptions of Deposits

A deposit may be waived if the member's current service with the Cooperative has a good credit rating for the past twelve (12) months, or if the member receives a satisfactory score from a credit bureau reporting system.

Residential

An acceptable credit record, from the most recent electrical supplier(s) for a minimum of one (1) year with a good payment record, may be used in lieu of a cash deposit. An acceptable credit record would not reflect consecutive thirty (30) day arrears, three (3) thirty (30) day arrears, or any other adverse occurrences. A residential deposit may be waived with an executed Cosigner Agreement (Refer to Section 600, Appendix), whereby for a two (2) year period an existing member agrees to pay the deposit requirement should the new member fail to meet billing obligations during that time. The cosigner must be a current member cosigner must be a current member of the Cooperative with a year of service, have an "A" credit rating, maintain an "A" credit rating for the cosigner period, and intend to remain a member of the Cooperative for the next two (2) years. Members are limited to three (3) current cosigner agreements.

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Other

Deposits for churches, schools, government agencies, etc. may have deposits waived due to their nature and type of ownership. The Cooperative reserves the right to require such deposit should the credit record necessitate.

E. Increase in Deposits

The deposit amounts specified are considered as minimum and may be increased on any account based upon the credit history of the member. Maximum amount of the deposit shall be equal to the highest consecutive months' billings based on the previous twelve (12) months, or estimated if less than twelve (12) months of service.

F. Deposits Due to Indebtedness

If a member has had service with the Cooperative previously and has an old undisputed account which has not been paid, then the deposit shall be equal to the two (2) highest consecutive month's billings based on the previous twelve (12) months, or estimated if less than twelve (12) months of service.

G. Deposit Refunds

Deposits are held as surety should a member fail to settle his indebtedness with the Cooperative. Based on the following conditions deposits are returned:

Deposits are refunded automatically after two (2) years of service.

Member must have an "A" credit rating for the previous twelve (12) months.

Commercial accounts must not have received an Important Notice within the past twelve (12) months.

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103 UNDERGROUND INSTALLATION PLAN

The Cooperative will extend underground primary service, upon request, to its members under the following conditions:

I. Residential Service

A. Primary service to new developments or subdivisions

At the request of an owner or developer, the Cooperative will install underground distribution facilities for primary service to single family residences in new developments upon the following terms and conditions:

1. Primary underground electric facilities will be provided for the amounts shown in the Appendix of Provided Services and Applicable Charges as approved and updated from time to time by the Cooperative. A separate Agreement for Underground Service, All Electric Development or Non-All Electric Development, that fully describes the covenants for this installation will be duly executed by the owner or developer prior to construction and this document will be recorded at the Register of Deeds office of the appropriate county.
2. The Cooperative is not obligated to supply underground service when, in the judgment of the Cooperative, it is impractical or contrary to good operating or engineering practice.

B. Residential areas with existing underground primary

At the request of an owner or developer, the Cooperative will furnish and install underground secondary services (service drops) in areas already being served with existing underground primary service, upon the following terms and conditions:

1. The Cooperative will install the service drop underground from existing underground facilities free of charge except where non-standard trenching procedures are required and/or other unusual conditions occur.
2. The owner or developer will reimburse the Cooperative for the cost of cutting through and replacing pavement within the development.
3. The type of construction and the location of said facilities will be at the option of the Cooperative. Should the owner or developer desire changes in either location or type of construction, such installations will be made only upon the owner or developer agreeing to pay to the Cooperative the estimated additional cost incurred thereby.

4. Shrubs, trees and grass sod including hydro-seed requiring protection during the installation of the underground service will be the responsibility of the owner or developer, and the owner or developer will hold the Cooperative and/or its subcontractors harmless against any claims for such damage. It will be the responsibility of the owner or developer to re-seed and/or maintain the trench cover.
5. If the length of the service and the demand of the residence are such that in the Cooperative's judgment unsatisfactory service will result, the Cooperative will install primary voltage service conductors and the cost will be the actual cost of such installation determined by the Cooperative at the time of installation.

C. Residential Underground Service, Overhead Source

At the request of an owner, the Cooperative will replace existing overhead service drops (insulated service wire) with underground service or install new underground service drops from an overhead source upon the following terms and conditions:

1. The owner will be required to pay a non-refundable charge to be determined by the Cooperative for removal of the existing overhead service.
2. In addition to the removal charge, the owner will be required to pay an underground installation charge as determined by the Cooperative.
3. While the Cooperative is responsible for locating publicly owned underground utility lines (telephone, cable TV, gas), the owner is responsible for locating any non-publicly owned underground obstructions (sprinkler systems, water lines, septic systems, non-Cooperative electric lines, etc.). The owner is responsible for any damage to any non-publicly owned underground facility that is damaged and not marked.
4. A Release for Underground Service shall be signed by the owner that fully describes his responsibilities prior to installation of underground service.
5. Any expense incurred in relocating the member's service entrance facilities to accommodate the underground service drop shall be borne by the member.

D. Mobile Homes

Upon request from an owner or developer the Cooperative will provide electric service to mobile home parks using the least cost method determined by the Cooperative. Any requirements for electric service by the owner or developer which exceed least cost will be paid for by owner or developer.

1. Where unusual local wiring or electrical code requirements occasion extra cost in making the installation, such cost shall be borne by the applicant for service.

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2. In addition to the foregoing, all of the provisions of sub-paragraphs three (3) through five (5) of paragraph B above (Residential areas with existing overhead primary) shall apply to such installations.

II. Apartment Complexes, Commercial Public Buildings and/or Industrial Installations

Upon request from the member the Cooperative will install underground services to an apartment complex, a commercial or an industrial installation, upon the member's agreeing to pay the estimated excess cost (if any) of installing underground over the cost of conventional overhead service.

- III. Under certain conditions the Cooperative may find that it is to its advantage to install underground primary or service rather than overhead primary or service because of unusual conditions such as right-of-way or right-of-way clearing problems. In these cases, there will be no charge to the member.
- IV. Relocation of an existing underground secondary service shall be charged at the new installation, non-refundable rate. Relocation of primary service will be determined on a cost of installation basis. All relocation of services are subject to appropriate conditions of this section. Under unusual conditions, the Cooperative may choose to relocate service at no charge.
- V. All underground facilities shall be installed in compliance with the standards and applicable drawings in section 600C of the Service Rules and Regulations

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104 STANDARD SUPPLY VOLTAGES

One system of alternating current, 60 hertz, is supplied throughout the Cooperative's system.

The voltage, number of phases and type of metering that will be supplied depends upon the Cooperative's facilities available and upon the character, size, and location of the load to be served. Therefore, the member shall consult the Cooperative before proceeding with the purchase or installation of wiring or equipment. To avoid misunderstanding, this information must be in writing.

The standard secondary voltages described below are nominal and are subject to a plus or minus 10 percent variation.

- Single phase, 2-wire, 120 volts
- Single phase, 3-wire, 120/240 volts
- Three phase, 4-wire, 120/208 volts
- Three phase, 4-wire, 120/240 volts
- Three phase, 4-wire, 277/480 volts

Other voltages may be supplied; dependent upon availability, such requests should be made in writing to the Cooperative for approval.

It will not be considered a violation of service supply tolerances when voltage outside the prescribed limits are caused by any of the following:

- A. Action of the elements or nature.
- B. Service interruptions.
- C. Temporary separation of parts of the system from the main system.
- D. Infrequent fluctuations not exceeding five minutes duration.
- E. Other causes beyond the control of the Cooperative.
- F. Outages or partial outages not reported.

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105 STANDBY POWER

No electric power sold by the Cooperative shall be used as reserve, or standby service, or in any way in conjunction with any other service of power as a dual power supply, without the Cooperative's prior written consent.

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106 RESALE OF POWER

Members shall not directly resell electric energy for any purpose, unless permitted by state law. Members shall not divert electric energy to other premises or use it for purposes other than those permitted by the Bylaws, Service Rules and Regulations of the Cooperative, and by state or local laws, rules and codes.

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107 OFFICE AND SERVICE HOURS

The Cooperative's main office, located in Lexington County at 254 Longs Pond Road and Dutch Fork Operations Center, located in Richland County at 7524 Broad River Road are open for business from 8:00 a.m. to 5:00 p.m., Monday through Friday, except as posted by the Cooperative. Routine work is scheduled and accomplished during these hours.

The Cooperative maintains emergency crews on duty twenty four (24) hours a day, seven (7) days a week. The emergency number at all times is 749-6444 or, if calling long distance, 1-888-813-7000.

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108 TEMPORARY SERVICE

Prior to rendering temporary service, Section 205 and 216 must first be satisfied.

Temporary service for construction of buildings or other establishments, which upon completion will receive permanent electric service from the Cooperative, will be extended service under the same conditions as permanent service.

In the event a temporary service is requested without the possibility of becoming permanent service the Cooperative may require that the member bear all costs of installing and removing the service in excess of any salvage value.

Service entrance structures shall meet or exceed minimum standards as established by the Cooperative. Descriptive drawings are available upon request. Reference Appendix for each type of service entrance requirement.

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109 SERVICE INTERRUPTIONS AND OUTAGES

The Cooperative does not guarantee continuous uninterrupted electric service and will not be held liable for loss or damage to any member's property or equipment caused by any failure to supply electricity if the cause is beyond reasonable control of the Cooperative.

It shall be the member's responsibility to notify the Cooperative promptly of any defect, trouble, or irregularity of the electric service. Upon such notification, the Cooperative will reestablish service within the shortest time practical.

Scheduled interruptions or outages for work on lines or equipment shall be accomplished during a time to cause the least inconvenience to the affected member(s). The member(s) to be affected by such interruptions shall, if practical, be notified in advance of such scheduled interruptions.

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110 NOTICE OF DISCONNECTION

At the time a member desires to terminate, his service notification must be made to the Cooperative either verbally or in writing. After receipt of such notification, the Cooperative must be given a reasonable period of time to obtain a final meter reading and disconnect service. A person who stops receiving electricity from the Cooperative, other than a temporary disconnect request, ceases to be a member of the Cooperative.

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111 REASONS FOR DENIAL OR DISCONNECTION OF SERVICE

The Cooperative reserves the right to:

- I. Refuse service for the following reasons:
 - A. An applicant who, at the time of application, is indebted to the Cooperative under an undisputed bill for previous service furnished to the applicant or any member of their household, until such indebtedness has been satisfied.
 - B. Failure to provide the Cooperative with necessary building or mobile home permits in addition to any other required permits or releases, or in the event such are rescinded or withdrawn.
 - C. Failure to pay in advance any amount in aid of construction as required by these service rules and regulations.
- II. Disconnect service without notice for the following reasons:
 - A. Discovery of a condition determined by the Cooperative to be hazardous, dangerous, or unlawful.
 - B. Discovery of tampering that results in diversion of electric current.
 - C. Discovery of conditions that would adversely affect the Cooperative's service to others.
 - D. Discovery of an unauthorized connection or use of service or facilities.
 - E. Misrepresentation of member's identity.
- III. Disconnect service with notice for the following reasons:
 - A. For violation or non-compliance with any applicable governmental law or code.
 - B. For non-compliance with the bylaws or service rules and regulations of the Cooperative.
 - C. Failure of the member to permit the Cooperative reasonable access to their equipment.
 - D. Failure of the member to provide the Cooperative with a deposit that may be required.
 - E. Non-payment of bills in accordance with delinquent cut-off notices. Such notices are mailed at least ten (10) days prior to scheduled disconnect in order to give the member the opportunity to satisfy his indebtedness. Services are disconnected Monday through Friday between 8:00 a.m. and 5:00 p.m.

Reference Appendix Section for appropriate service charges.