

**NORTHERN VIRGINIA ELECTRIC COOPERATIVE
10323 LOMOND DR.
MANASSAS, VA 20108**

**TERMS AND CONDITIONS
FOR
PROVIDING ELECTRIC SERVICE**

*As filed with the
Virginia State Corporation Commission*

Effective: October 1, 2010

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I. INTRODUCTION

This filing sets forth the terms and conditions under which electric distribution service is supplied to its Customers by Northern Virginia Electric Cooperative (NOVEC) within the designated service territory and is on file with the Virginia State Corporation Commission. Changes in these terms and conditions may be made from time to time to meet new or unforeseen conditions by the Cooperative's Board of Directors. The rules and regulations contained herein are not to be considered complete in every detail for furnishing electric distribution service, but are intended to be a general outline of the practices of the Cooperative.

The Cooperative, upon request, will provide any Applicant or Customer with a copy of the rate schedules and terms and conditions under which distribution service will be supplied.

II. DEFINITIONS

Applicant - means any person, firm, corporation, or public body requesting electric distribution service from the Cooperative.

Commission - refers to the Virginia State Corporation Commission.

Customer - refers to any Member and/or patron of the Cooperative receiving, or having received electric distribution service.

Delivery Point – the point where the Cooperative's equipment for supplying electric energy is connected to the Customers' equipment for receiving the electric energy, unless otherwise specified in a written agreement with the Customer.

“Distribute”, “Distributing” or “Distribution of” Electric Energy – means the transfer of electric energy through a distribution system to a Customer

Inspection Authority – the authorized representative of any federal, state, local government, agency or political subdivision, having lawful authority to enforce federal, state, or local building codes.

Member - any person, firm, corporation or public body who has complied with the Terms and Conditions of Service, the rules and regulations of the Cooperative, and whose application for membership has been accepted by the Cooperative and is being supplied electric distribution service by the Cooperative.

Northern Virginia Electric Cooperative - a Cooperative corporation operating under the Utility Consumer Services Cooperative Act.

III. BECOMING A CUSTOMER

Any person, firm, corporation, or public body, who controls, by ownership or lease, the property to be served, may become a Customer of the Cooperative by:

- A. Executing the Membership Application and/or Service Contract.
- B. Paying the membership fee (Schedule F- Fees).
- C. Agreeing to purchase electric distribution service from the Cooperative.
- D. Agreeing to comply with and be bound by the Certificate of Incorporation of the Cooperative, and the Bylaws and any Amendments thereto and such rules and regulations that may be adopted from time to time by the Board of Directors.

IV. REQUIREMENTS FOR SECURING ELECTRIC DISTRIBUTION SERVICE

- A. Application or Agreement

No person shall receive electric distribution service until they have signed the Cooperative's approved form "Application for Membership" and/or its approved form "Agreement for the Purchase of Electric Distribution Service", and has paid a membership fee and a connection fee for each service connection (See Schedule F- Fees). Such payment shall make the Customer eligible for electric distribution service on the premises referred to in the application. Any person or entity owing a debt to the Cooperative shall not be allowed to join in the Cooperative or receive service from the Cooperative until the debt has been paid in full or arrangements satisfactory to the Cooperative have been made for the satisfaction of the outstanding debt.

Applicants must contact the Cooperative before service will be made available. The Cooperative may require large power Applicants to sign a contract or a letter of agreement where the monthly minimum is higher than specified under the applicable rate schedule (the Customer should reference applicable rate schedules or contact the Cooperative to determine if this applies to their situation). Whether or not a written agreement covering the supply of electricity is executed, the Applicant, by accepting the electricity, agrees to be bound by the applicable rates, terms, and conditions of service.

The Cooperative reserves the right to require the Applicant to establish that the Applicant is the owner or bona fide lessee of the premises and to require owners or bona fide lessees to execute the Application for Membership and/or the Agreement for the Purchase of Electric Distribution Service. When asked to provide such information, the Applicant shall provide the Cooperative with a copy

of a signed lease or deed verifying such information. In the absence of a formal rental document the Applicant should present a letter from the actual owner of record verifying that the Applicant is a bona fide lessee. Whether or not the Cooperative initially exercises the right specified above, the applicant, by accepting electricity, agrees to comply at any time with this right.

B. Deposits

1. The Cooperative may require the Applicant or Customer to deposit with it initially and from time to time, as a guarantee of payment for electric distribution service used, such amount as, in the Cooperative's judgment, will secure it from loss. The amount of this deposit shall not be greater than an estimated billing for two months' service.

The Cooperative is not bound to supply electricity until these conditions are fulfilled and it may disconnect with ten (10) days written notice to the Customer if the guarantee or increased guarantee is not paid when required.

2. Whenever the required deposit from any Residential Customer exceeds the sum of \$50 the Customer shall be permitted to pay the required deposit in three consecutive equal monthly installments provided, however, that the Cooperative shall have the discretion to allow payment of any deposit over a longer period of time, not to exceed six months, to avoid undue hardship.
3. The Cooperative will pay interest on deposits held longer than ninety (90) days at a rate that shall be determined by the Virginia State Corporation Commission annually.
4. At the option of each Customer making a deposit, the Cooperative shall annually make either direct payment to the Customer of all accrued interest, or shall credit same to the Customer's account.
5. The Cooperative will return the deposit after the Customer has established twelve consecutive months of a satisfactory credit record after the deposit requirement is met. Upon refund, the deposit will be credited to the Customer's account.
6. All remaining deposits plus earned interest will be returned to the Customer at the termination of electric distribution service, after all indebtedness to the Cooperative has been paid. The Cooperative shall have a reasonable time to disconnect service and to ascertain that all obligations of the Customer have been fully performed before being required to return any deposit.

C. Fees.

The Applicant shall pay all other required fee(s), deposit(s), and charge(s) as per Schedule F- Fees.

D. Rate Schedule Selection.

The Cooperative's Terms and Conditions and Rate Schedules for Electric Service on file with the Commission are available upon request at the Cooperative offices.

When a Customer's load meets the conditions of two or more schedules, the Customer shall be responsible for the choice of the schedule. The Cooperative will assist in the selection at the Customer's request. However, except as provided by law, the responsibility of selection shall rest with the Customer.

The Cooperative will review the demand requirements of small commercial and large power Customers annually. Customers whose demand usage no longer meets the availability requirements on the schedule under which they are served will be given 90 days written notice that they are being transferred to another schedule as described in the Small Commercial and Large Power tariffs.

The Cooperative cannot guarantee that the Customer will be served under the most favorable applicable schedule. Upon written request the Cooperative will analyze the Customer's usage to determine if the Customer is on the most favorable applicable rate. Unless the Cooperative has determined the most favorable applicable rate following a written request from the Customer, no refund will be made by the Cooperative to the Customer of the difference in the charge made under the schedule applied and that which would have been made if a more favorable applicable schedule had been chosen and applied.

E. Right-of-Way.

The Cooperative shall determine the route of the line based on the least cost method and utility accepted routing practice. The Applicant shall, at no cost to the Cooperative, grant and/or furnish all valid right-of-way easements satisfactory to the Cooperative and all other permits necessary to provide electric distribution service to the Customer conveyed on Cooperative approved forms. The Applicant shall grant to the Cooperative or its agents unrestricted access to the Cooperative's equipment and facilities, and the right to construct, operate and maintain its facilities. The Cooperative shall not be required to supply electric distribution service until such time as the Cooperative has received all necessary applications, right-of-way easements and/or permits, and financial arrangements from the Applicant satisfactory to the Cooperative.

Developers shall grant the Cooperative the authority, including a free and continuous and unrestricted right-of-way, necessary to construct, maintain, and operate an electrical distribution system upon the property of the developer.

The Cooperative shall have the right to keep easements clear of trees, shrubbery, landscaping, undergrowth and other obstructions.

See Section VI. A. 6 for property not in control of the Customer.

F. Connection Provisions

The Applicant shall make proper provisions for the connection of electric distribution service.

1. One Service Connection- The Cooperative will supply electric service to each premise through one service connection for each class of service. Exceptions may be granted where permitted by the code and installation of more than one service connection is justified.
2. Cost of Service Connection- Where the required service connection is in excess of that regularly installed by the Cooperative without charge, the Customer will pay an Excess Facilities Charge in accordance with the Cooperative's Excess Facilities Requirements on file with the Commission. Advance deposits based on estimates may be required subject to adjustment after completion of connection. Information regarding the amount to be contributed may be obtained from the Cooperative.
3. Temporary Service Connection- A temporary service connection is a service connection installed to supply electricity for a limited time. Service connections for carnivals, festivals, Christmas tree lighting, street decorations, construction purposes, etc., are considered temporary. The Customer's facilities at the point of attachment shall be approved by both the Cooperative and the inspection authority having jurisdiction. In no case will the Cooperative connect a service drop to mobile equipment.
4. Where it is necessary to establish a temporary service connection, the applicant shall pay the Cooperative in advance its estimated cost of furnishing and installing the connection and removing it, less the salvage value of the material returned.
5. Point of Service Termination- The Cooperative's overhead and underground service conductors will terminate at the point of attachment to the Customer's delivery point as designed by the Cooperative unless otherwise specified in a written agreement with the Customer. The point of attachment on a residential overhead service is the Customer's weatherhead. The point of attachment on a residential underground service is the meterbase.

The Customer may be required to provide the required service entrance riser with adequate drip loop for the Cooperative to make connections at the point of attachment.

G. Customer Wiring

The wiring must conform to the National Electrical Code and the specifications of the Cooperative. Before connection of service, if covered by the local building code, the Customer's installation must be approved by the Inspection Authority. In no event shall the Cooperative be under any obligation to inspect wiring or appliances of the Customer, but where the Cooperative has reason to believe wiring or appliances of the Customer do not comply with recognized requirements, the Cooperative may refuse to supply electricity to the Customer. The Customer shall be responsible for notifying the Cooperative of any plans for adding appliances, equipment, and/or motors, which might overload or impair the electrical service or the facilities of the Cooperative. It is recommended that in the installation of a wiring system, the Customer give consideration to all foreseeable future uses and install service entrance conductors and equipment of such capacity as to carry the maximum anticipated future loads.

H. Electric Distribution Service Limitations

To eliminate the possibility of error or loss, the Applicant or Customer, before purchasing motors or other equipment, or undertaking to install wiring, shall secure from the Cooperative all necessary data relating to the characteristics of the electricity that will be supplied. The Cooperative reserves the right to set limitations on current inrush characteristics, demand, power factor, or any other characteristic of motors, wiring, or any other equipment in order to protect the quality, reliability, and/or safety of its system, and/or the service to other Customers.

I. Location and Maintenance of Cooperative's Equipment

The Cooperative shall have the right to erect its facilities on the property of the Applicant, which are necessary in supplying electricity to the Applicant. The Applicant shall provide suitable space with appropriate safety clearances as designated by the Cooperative, for the installation of the necessary metering apparatus at the location designated by the Cooperative.

V. USE OF ELECTRIC DISTRIBUTION SERVICE

A. Cooperative as Sole Distributor

The Applicant and/or Customer agree that no electricity, other than that distributed by the Cooperative, shall be distributed over the Cooperative's distribution facilities to operate the Applicant's and/or Customer's equipment without previous written notice to and consent of the Cooperative.

B. Notification and Approval of Unusual Equipment Added by Customer

1. The Customer shall notify and obtain the consent of the Cooperative before the addition of any unusual equipment or appliances. Such unusual equipment includes, but is not limited to: single phase motors over 10 horsepower, three phase motors, generators or automated process' equipment, and welders.
2. The Cooperative reserves the right to refuse to supply electric distribution service to any piece of equipment whose operation is considered to be a safety hazard or detrimental to the Cooperative's electrical system or any of its Customers. Furthermore, the Cooperative reserves the right to discontinue electric distribution service to any Customer operating such equipment until such time as the Customer conforms to the Cooperative's Terms and Conditions of Service.
3. When any alterations require the change of location or character of service, service conductors, meters, transformers and/or other necessary facilities, the Customer should make appropriate arrangements for the accomplishment of such changes by the Cooperative and the Customer's electrical contractor.
4. Service conductors, meters or metering equipment shall not be removed or relocated except by employees or agents of the Cooperative authorized to do the work.
5. In order to avoid undue outages or damages to the Customer's or Cooperative's equipment, the Customer should advise the Cooperative in writing at least 45 working days prior to constructing any additions which will materially increase the Customer's electrical demand.

C. Customer Generating Equipment:

1. Interconnection
 - a. A switch, or other approved disconnecting means, must be used to prevent possible injury. Installation of the disconnecting means is subject to the inspection and approval of the Cooperative.
 - b. Detailed plans showing the equipment to be used, the load transfer arrangement and the electrical connections should be submitted to the Cooperative for approval.
 - c. Where the Cooperative provides auxiliary service, or where the Customer provides an emergency source of supply, parallel operation of the Customer's generating equipment with the Cooperative's system is not allowed except where specifically approved by the Cooperative.
2. Co-Generation and Small Power Production Facilities:

Any qualifying co-generation or small power production facility as designated by the Federal Energy Regulatory Commission (FERC) shall be dealt with in accordance with applicable FERC orders and legal and regulatory standards.

3. Net Metering Customer

Any qualifying net metering Customer as designated by Virginia Code §56-594 shall be dealt with in accordance with applicable legal and regulatory State standards.

4. Power From Generators

Retail Customers (including net metered Customers) are not permitted to sell any portion of their on-site, self-generation into the electricity market without first having executed a contract with both the Cooperative and the Transmission provider.

D. Suitability of Apparatus to be Added

The Cooperative reserves the right, but shall not have the duty, to determine the suitability of any apparatus, or appliance to be connected to its lines, and to determine whether the operation of such shall be detrimental to its general supply of electricity. The Cooperative further reserves the right to refuse to supply, or to discontinue the supply of electricity until such time as the Customer shall conform to the Cooperative's regulations.

E. Electric Distribution Service for Customer's Use Only

The Cooperative will furnish electric distribution service to the Customer for use only for the premises occupied through ownership or lease by the Customer. This service shall not be remetered, submetered, or otherwise controlled by the Customer for resale or assignment to others, except as provided by the Code of Virginia. (See also Section XI - F. "Submetering and Grouping Connections to One Meter" below.)

F. Liability of Cooperative

The electricity supplied under any agreement is distributed by the Cooperative and purchased by the Customer upon the express condition that, after it passes the metering equipment of the Cooperative, or other point of delivery, it becomes the property of the Customer to be used only as herein provided. The Cooperative shall not, in any event, be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electricity on the Customer's premises or elsewhere, after it passes the

Cooperative's metering equipment, or other point of delivery; or for any loss or damage resulting from the presence, character or condition of the wires or appliances of the Customer.

G. Interruption of Service

The Cooperative will endeavor to maintain, as nearly as practical, full continuity of service but it cannot guarantee uninterrupted service. It is the Customer's responsibility to provide protection for his/her electric motors, apparatus, wiring and other equipment from the effects of unavoidable interruption or abnormal service supply conditions, such as low voltage, high voltage, single-phasing, lightning damage or frequency change. The Cooperative will not be held responsible for losses experienced by the Customer due to his/her failure to provide such protection.

Without liability to the Cooperative, service may be interrupted or become abnormal because of any of the following causes:

1. Storms, accidents, equipment failure and/or acts of God.
2. Failure of power supplier, shortage in power supplies or capacity necessitating reduction in service or the implementation of rotating blackouts. When rotating blackouts are required, the Cooperative may, without notice and without incurring liability, implement them on the basis of what is, in the Cooperative's opinion, reasonably necessary to minimize adverse impact on the public health and safety and to facilitate restoration of normal service to all Customers at the earliest time practical.
3. An adverse condition or disturbance on the system of the Cooperative, or on any other system directly or indirectly interconnected with it which requires automatic or manual interruption of the supply of electricity to some Customers or areas in order to limit the extent or duration of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, the Cooperative may, without incurring liability, take such action as appears reasonably necessary.
4. By order of governmental authorities.
5. With adequate notice to current customers whenever possible, to make additions to the Cooperative's infrastructure.
6. To make repairs, to limit or reduce the duration of interruptions, or to prevent damage to the Customer's or the Cooperative's equipment.
7. Civil disorder, strikes, or other labor trouble, riot, insurrection, war, fire or any other cause where the Cooperative believes it is necessary to de-

energize part of its facilities for the protection of the public, its employees, or its electric system.

Upon correction of conditions, which caused the interruption, the Cooperative will be diligent in re-energizing its facilities when it is safe to do so. Upon any interruption of service, or any abnormal service, the Customer should notify the Cooperative as soon as possible. The Cooperative, in most cases, has no other way of knowing of interrupted or abnormal service.

H. Customer's Responsibility

1. The Customer shall be responsible for providing the Cooperative and/or its agent access to the Cooperative property installed on the Customer's premises.
2. The Customer shall be responsible at all times for the safekeeping of all Cooperative property installed on the Customer's premises and to that end shall give no one, except authorized Cooperative employees, its agents, the Commission, or any other lawfully constituted authority having jurisdiction access to such property.
3. The Customer may be liable for the cost of repairs or damage done to the Cooperative's property on the Customer's premises resulting from the negligence of, or misuse by anyone other than Cooperative employees and/or its agents.
4. The Customer shall be responsible for the maintenance and repair of the Customer's wiring and equipment. Additionally, it is the Customer's responsibility to provide adequate protection for their motors or other equipment as defined in the National Electrical Code. Should the Customer report trouble with the supply of electricity, the Cooperative will endeavor to respond with reasonable dispatch to such calls with the purpose of correcting only such trouble as may be in the Cooperative's equipment supplying said Customer.
5. The Cooperative retains responsibility only with respect to the actions of its employees and/or its agents in connection with property owned by the Cooperative.
6. The Customer 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 or connected with, or growing out of the use of electricity by the Customer at or on his side of the point of attachment.

I. Equipment and Wiring Application

Electricity is supplied to the Customer with the understanding that the Cooperative will have the right to inspect and test the Customer's electrical

equipment for the purpose of determining if it has any electrical characteristics which may be unsafe or cause undue disturbance to the Cooperative's system and affect the service to other Customers.

When abnormal voltage conditions or objectionable harmonics on the Cooperative's system are found to be due to the Customer's installation (such as load unbalance or the operation of motors or electric welding equipment) the Customer shall provide, at his/her expense, suitable corrective wiring or equipment on the Customer's premises so that the use of electricity will not adversely affect the service of other Customers.

J. Load Balance

The total load on the Cooperative's service to the Customer shall be balanced over the phases as equally as practice will permit and the Customer shall, at his/her expense, maintain such balance. (Ordinarily the difference between the loads on any two phases shall not be greater than 10 percent of the total connected load.)

K. Electric Motor Protective Devices

The Cooperative shall always be consulted with regard to the requirements as to the type of motor and starting current limitations as well as voltage and phase of service that will be furnished.

VI. EXTENSION OF FACILITIES

The policy of the Cooperative is to furnish adequate distribution electric service to all qualified Applicants within the Cooperative's service area. The service shall be furnished at the Cooperative's published rates as approved by the State Corporation Commission of Virginia and in accordance with the following line extension policy.

A. General

1. The Customer shall install and maintain an approved support on or adjacent to the building for the Cooperative's service drop. The support shall have such clearances as to be in accordance with requirements in the Uniform Statewide Building Code and/or the National Electric Safety Code.
2. The standard construction practices of the Cooperative shall be overhead construction.
3. The Cooperative will extend its overhead or underground distribution lines to any permanent residential or commercial Customers who request service. Extensions shall be single phase unless the Cooperative elects to build poly-phase lines. NOVEC will provide, own, and maintain the line

extension including poles, fixtures, transformers, wires, and appurtenances required to extend its overhead system so that the Cooperative's service wires can be attached to the Customer's building or other delivery point. Beyond this point of attachment, all additional wiring and all other facilities on the Customer's premises shall be provided by and remain the property of the Customer.

4. The Cooperative shall not be required to make any electric line extension until the Customer to be supplied from such line extension has signed all applications and/or agreements and fulfilled such other conditions for the connection of electricity as may be required by the Cooperative and until all permanent premises to be supplied have been wired and made ready for service.
5. The Cooperative reserves the right to install underground line facilities when it determines it is in the best interest of the Cooperative.
6. It shall be the Applicant's responsibility to secure and/or otherwise provide, at no cost to the Cooperative, a right-of-way acceptable to the Cooperative. The Cooperative may assist in the right-of-way acquisition process at the Applicant's expense. The Cooperative shall be under no obligation to construct lines until all the required rights-of-way are received.
7. These general rules and regulations shall not be construed as prohibiting the Cooperative from making electric line extensions of greater length or higher costs provided that there is no discrimination between Customers using and/or receiving electric distribution service under the same classification.
8. For underground service, the Applicant may be required to provide access conduits underneath driveways, sidewalks, patios, porches, decks, etc. to the Cooperative's specifications. Under the conditions described in Section VI.E.2 and VI.E.6, an entire conduit system shall be required. At the Cooperative's option, a conduit system may be required under other circumstances.
9. For underground service, the Applicant/Owner shall grant to the Cooperative an easement relieving the Cooperative of any liability for damages that could be incurred if the underground cable should ever need repair or replacement.

B. Extension of Service

1. Single phase extension of service
 - a. The Cooperative will furnish adequate single phase service to all permanent residential and commercial connections, occupied on a full-time, year-round basis, within the territory allocated to

NOVEC by the Commission under the Utilities Facilities Act of 1950. No line extension charge will be made for permanent single phase service except as required for underground service extensions.

- b. The Cooperative shall determine the route of the line based on the least cost method and utility accepted routing practices. If the Customer requests the route to be changed and the Cooperative agrees, the Customer shall pay a contribution-in-aid of construction based on the cost difference between the routes.
- c. Single phase service considered as temporary, part-time or for short duration shall be serviced under the provisions of the Cooperative's agreement for temporary service connections.
- d. The Cooperative may require three phase line extensions for motors larger than 10 horsepower and/or loads greater than 25 KW.

2. Residential Customer - Applicant shall be serviced to a structure that satisfies the following:

- a. Must have permanent water and sewer facilities approved by local authorities and must have received appropriate electrical inspection as a residence by/from appropriate local authorities;
- b. The facilities to be served must be the principal place of residence occupied on a full-time, year-round basis, within the territory allocated to NOVEC by the Commission under the Utilities Facilities Act of 1950.

3. Three Phase Extension of Service

The Cooperative will provide three phase service to all permanent connections within its service area and within 1,000 feet of existing three phase facilities at the Cooperative's rates. Three phase service requests which require new construction or re-phasing in excess of 1,000 feet of line will be provided only if the Customer agrees to pay a monthly bill equal to 1.5 percent of the total cost, including the first 1,000 feet of the new line construction or re-phasing provided such monthly minimum is in excess of the monthly minimum specified in the appropriate rate schedule as filed with the Commission. Alternatively, the Customer may elect to pay the cost of extending the 3 phase service in advance of construction. The Cooperative may require a contract with the Customer detailing additional requirements before the 3 phase service is extended.

- a. Three phase service considered as temporary, part-time or for short duration shall be served under the provisions of the Cooperative's

rate schedule applicable to such service and the Cooperative's agreement for temporary service connections.

- b. The Cooperative shall determine the route of the line based on the least cost method and utility accepted routing practices. If the Customer requests the route to be changed and Cooperative agrees, the Customer shall pay a contribution-in-aid of construction based on the cost difference between the routes.

C. Line Relocations and Conversions

1. If a Customer requests that an existing line be relocated and the Cooperative agrees to the relocation, the Customer shall pay in advance a contribution in aid of construction for the cost to relocate the line. The Customer is responsible for obtaining any easements required for the relocation.
2. If a Customer requests that an existing overhead primary and secondary line be converted to underground and the Cooperative agrees to the conversion, the Customer shall pay in advance a contribution in aid of construction for the cost to convert the line. The Customer is responsible for obtaining any easements required for the relocation.
3. If a Customer requests that an existing adequate overhead service be converted to underground and the Cooperative agrees to the conversion, the Customer shall pay in advance a contribution in aid of construction for the conversion cost. The conversion cost shall be calculated as specified in Section VI, E, 4 or 6. The Customer is responsible for obtaining any easements required for the relocation.
4. If a Customer requests that an overhead service, which is inadequate, be converted to underground and the Cooperative agrees to the conversion, the Customer shall pay the cost differential between the underground and overhead facilities. The Customer is responsible for obtaining any easements required for the relocation.
5. If the Cooperative is required to alter, change or increase the character of its service facilities because the Customer has requested same to accommodate his building/plant alterations and/or additions, the Customer shall make a non-refundable contribution-in-aid of construction equal to the difference between the estimated cost of the necessary construction and four times the anticipated continuing annual distribution services revenue to be derived from the increase in electrical loading.

D. Excess Facilities

Whenever a Customer or Applicant requests service or equipment which results in the use of equipment or facilities in excess of those normally provided (one source, one transformer installation, one meter) and if the

Cooperative finds it practical, such may be provided in accordance with the Cooperative's filed Schedule EF-1 – Excess Facilities.

E. Underground Service Plan

1. General conditions for all underground services:

- a. The Cooperative shall furnish the meter base to be installed by the Applicant with the appropriate safety clearances at a point and height designated by the Cooperative. The Cooperative will extend its cables to the meter base.
- b. At no cost to the Cooperative, the Applicant must furnish proper easements. Proper easements for underground facilities shall be 15 foot in width. Rights-of-way must be cleared of obstructions (in its entirety) and graded to final grade and not having more than a maximum slope of 5-to-1 (5-horizontal-feet to 1-vertical-foot), hereinafter referred to as "suitable right-of-way and easement."
- b. The Applicant must also furnish said suitable right-of-way and easement (in reasonable time to meet service requirements) before the Cooperative will commence construction.
- c. Where grade is changed after NOVEC's underground facilities have been installed, the Applicant shall bear the entire cost of removal and re-installation of these facilities to comply with NOVEC underground specifications.
- d. The Applicant shall be responsible for all damage to NOVEC's underground facilities by the contractors or by sub-contractors associated with the construction of the project to be served by these facilities.
- e. Either the payment of underground charges or a financial arrangement satisfactory to the Cooperative must be made prior to the installation of any facilities.
- f. Within any development in which the underground service has been contracted or ordered by local authorities, the installation of the underground system must be according to this plan.
- g. Underground service required by local governmental authorities and not covered by the Cooperative's Under-ground Service Plan must be paid by the Customers within the governmental jurisdiction in a manner approved by the Commission.

2. Residential Subdivision

The Cooperative will provide single phase underground electric service (120/240 volt) to townhouses, or detached residential units not previously supplied electric service under the following terms and conditions:

- a. The Applicant shall provide suitable aerial and/or underground rights-of-way through and/or around the subdivision for feeder lines. If the Applicant elects that these feeder lines be placed underground, he/she shall pay the cost difference of an underground feeder system above the cost of an aerial feeder system.
- b. There will be a charge for all extra costs incurred due to adverse trenching conditions such as rock, shale, sandstone, buried stumps, trash or other soil conditions which prevent trenching equipment from operating at their normal rate of work in clean soil. These costs include hand excavation, drilling, chipping, blasting, excavating, providing and placing stone dust or sand for padding, backfilling and disposal of excess excavated material unsuitable for backfill, hereinafter referred to as "adverse trenching conditions." These extra charges shall be billed to the Applicant. The Applicant shall have the option to perform certain work associated with adverse trenching conditions.
- c. To insure against loss to the Cooperative, the Applicant shall pay prior to the beginning of construction all underground, temporary service and/or street light charges for every lot and open space through which the underground facilities are to be installed. Any unforeseeable charges (such as adverse trenching conditions, damage claims, relocation of facilities, etc.) will be paid by the Applicant as soon as work is completed and billing has been rendered. Failure to pay the billed unforeseeable charges within 60 days will result in suspension of all current installation work until arrangements for payment satisfactory to the Cooperative have been made.
- d. The basic charges for units in subdivisions of detached residences shall be \$1.50-per-foot of frontage. All frontage footage shall be determined by measuring the total length of front property lines along all streets or roads (public or private). Lots not adjacent to streets or roads shall be included by measuring their total perimeter and adding one-fifth of that perimeter to the total frontage footage. In addition to the above charges, there will be a service lateral charge of \$1-per-foot. Service lateral footage shall be the distance along the service trench from the main trench to the meter base location.
- e. In sections of subdivisions where more than 75% of the lots have a frontage less than 70 feet, or where the average lot frontage is less than 70 feet, and for all townhouses regardless of lot size, the

Applicant shall install a primary and secondary conduit system in accordance with NOVEC's design and specifications. In those sections where the Applicant installs a conduit system, there will be no charge for mainline or service lateral footage.

- e. The Applicant shall sign an Underground Distribution Facilities Agreement.

3. Individual Residential Units

The Cooperative will provide single phase underground electric service (120/240 volt) to individual residences from the closest apposite source under the following terms and conditions:

- a. The basic charge per service, to be paid in advance, shall be \$75 plus \$1-per-foot of service run.
- b. The Cooperative will normally provide the standard trenches, as defined in the Cooperative's Specification book, at no cost except as noted in paragraph c. If unusual restraints are placed on the Cooperative by the Applicant, the Cooperative reserves the option to have the Applicant supply a conduit system to NOVEC specifications. The Applicant shall perform all the following at no expense or penalty to NOVEC:
 - i. Grade the right-of-way to within +/- 6 inches of final grade and remove all trees, undergrowth, stumps, construction materials, trash or other obstructions which the Cooperative may consider to be hindrance to trenching or backfilling operations.
 - ii. Backfill excavations around the footings, foundation and walls that conflict with the location of proposed electric facilities.
 - iii. Limit the said right-of-way to a maximum of 5-to-1 (5-horizontal-feet-to-1-vertical-foot) slope. Areas within the right-of-way with more than 5-to-1 slope are to be permanently cut or filled by the Applicant to provide less than a maximum slope of 5-to- 1.
 - iv. Locate at the time that the service is staked, all private facilities (water, septic, electric, etc.) which are buried on the lot. The Cooperative or its contractors will not be responsible for any damage to private facilities which have not been accurately located and marked prior to construction. Water lines or other private facilities may not be installed in the trench with the electric service.

- v. Locate and mark all necessary property lines and corners so the Cooperative can be assured of being within its right-of-way.
- c. There will be a charge for all extra cost incurred due to adverse trenching conditions such as rock, shale, sandstone, buried stumps or trash or other soil conditions which prevent trenching equipment from operating at their normal rate of work in clean soil. These costs include hand excavation, hand digging, drilling, chipping, blasting, excavating, providing and placing dirt, sand, or stone dust for padding- which contains no objects greater than three-quarters of an inch in diameter, backfilling and disposal of excess excavated material unsuitable for backfill. These extra charges shall be billed to the Applicant. The Applicant shall have the option of performing certain work, as defined in the Underground Distribution Facilities Agreement, associated with adverse trenching conditions. Any unforeseeable charges (such as adverse trenching conditions, damage claims, relocation of facilities, etc.) will be paid by the Applicant as soon as work is completed and billing has been rendered. If primary underground construction is required, the charge for the primary installation shall be \$1.50 per foot of primary trench to be installed. If the Applicant provides a conduit system, there will be no charge for the primary cable.
- d. The Applicant shall provide an approved site plan, house location survey, or wall check plat (where applicable) to enable the Cooperative to draw a proper easement plat.
- e. The Applicant shall schedule a meeting with a representative of the distribution engineering department to discuss electrical requirements for the property.

4. Individual Residential Unit Conversion from Overhead to Underground

The Cooperative will, upon request, convert existing overhead service to underground, providing that the Applicant fulfills the obligations outlined in Section VI. C., pays the estimated cost of the underground cable installation and pays the unexpired life (based on 30 years) of the original cost of the existing overhead facilities adequate to serve the Applicant, plus the estimated cost of removing the overhead facilities, less the estimated salvage value of the removed facilities.

5. Commercial, Industrial, Non-residential Units, Apartment Buildings and Condominiums

The Cooperative will provide underground service to commercial, industrial, non-residential units, apartment buildings, and/or condominiums not previously supplied with electric service, under the following terms and conditions:

- a. The Applicant shall provide suitable aerial and/or underground rights-of-way through and/or around the development for feeder lines. If the Applicant elects that these feeder lines be placed underground, the Applicant shall provide a conduit system in accordance with the Cooperative's design and specifications to accommodate the underground cable. The installation of the conduit system must be inspected and approved by the Cooperative.
 - b. Where the length of the service does not exceed 200 feet and no primary underground is required, the Cooperative shall provide service after the Applicant supplies the trenches, conduits, pull boxes, and appurtenances per the Cooperative's design and specifications. The installation of the conduit system must be inspected and approved by the Cooperative before the cable will be installed.
 - c. Where the service requires the installation of primary underground with padmounted transformers, the Applicant shall provide and install the trenches, transformer pads and primary and secondary conduits, pull boxes, and appurtenances per the Cooperative's design and specifications from the main service to the Cooperative's source. The installation of the conduit system must be inspected and approved by the Cooperative before the cable will be installed.
 - d. The Applicant shall provide suitable rights of way and easements.
 - e. For apartment building services, the Applicant shall furnish and install switchgear consisting of cluster-mounted sockets and/or other approved switchgear. Meter sockets must have a fifth terminal at 270 degrees. The Cooperative will reimburse the Applicant the cost of a regular meter socket for each socket that the applicant furnishes in the cluster-mounted switchgear, providing the cluster-mounted sockets meet the Cooperative's standards. Cluster-mounted meter sockets and circuit breakers are to be installed in rooms locked from the general public and the meter rooms are not to include storage, washing and drying machines, etc.
6. Industrial, Commercial, Non-residential Units, Apartment Building, and Condominium Conversion from Overhead to Underground

The Cooperative will, upon request, convert existing overhead facilities to underground providing that the Applicant fulfills the obligations outlined in Section VI. C., pays the cost of the underground cable installation and pays the unexpired life (based on 30 years) of the original cost of the existing overhead facilities adequate to serve the Applicant, plus the

estimated cost of removing the overhead facilities, less the estimated salvage value of the removed facilities.

F. Private Lines

It is not the policy of the Cooperative to construct private lines.

G. Vault for Transformers Within Building for Low Voltage Service

In connection with furnishing low voltage service to a Customer, if the Cooperative agrees it is necessary to make a transformer installation within the Customer's building, the Customer shall provide an approved transformer vault without cost or rental charge to the Cooperative. The Cooperative will furnish, install and maintain the transformers and associated protective equipment installed in such Customer-owned vault. The Customer shall not grant access to a transformer vault except to a qualified Cooperative employee. The Customer should consult the Cooperative regarding the location and construction of any necessary transformer vaults before the building plans are made.

H. Security Light

A security light will not be installed until agreement is reached on the designated location. In the event the Customer requests a change of location, the change will be made only at the Customer's expense and at such time convenient to the Cooperative.

The terms of contract for security lighting shall be considered an open order for 12 months unless the Customer or the Cooperative requests a written contract. In such case, the term of the contract for the purchase of electricity under the applicable rate schedule shall be as mutually agreed upon, but not less than one year.

When the Cooperative is required to construct new or extend any of its existing facilities to provide lighting service, the term of the contract shall not be less than four years.

VII. BILLING AND PAYMENT FOR SERVICE

A. Bills

Bills will be rendered to the Customer by the Cooperative monthly. Bills will be computed using metered energy and power consumption based on applicable rates and fees on file and approved by the Commission. The Cooperative may prorate the fixed charge portion of the bill when a Customer's service starts or is terminated.

B. Meter Readings

A representative of the Cooperative will attempt to read meters monthly on a scheduled basis. Customers with meters that are not readily accessible will be put on a budget/levelized payment plan with the meter being read by appointment on a semi-annual basis. The Customer's budget/levelized payment plan will be adjusted in accordance with the meter reading obtained by the meter reader.

The Cooperative may adjust estimated bills when actual information becomes available upon which to base the adjustment.

C. Terms of Payment/Collection

Bills will be due when presented and all payments are to be in US Dollars. They shall be considered as presented when deposited in the United States mail for delivery or when otherwise delivered by the Cooperative to the address of the Customer. A bill shall become overdue if unpaid on the 20th day following the day it has been presented. If payment has not been received by the late payment date, a one and one half percent (1-1/2%) penalty per month will be applied on the outstanding balance less local government utility taxes. If charges for regulated service remain unpaid at the time the succeeding bill is delivered, a notice of intent to disconnect service shall be served upon the Customer, giving at least ten days prior notice. If the bill remains unpaid at the end of such ten-day notice, electric service to the premise of the Customer shall be subject to disconnection without further notice.

The Cooperative reserves the right to apply any payment or payments made in whole or in part to any account due the Cooperative by the Customer unless the Customer has instructed otherwise. However, the Cooperative may apply any payments in excess of the account specified to other accounts due the Cooperative by the Customer. Whenever payment is made by a check and/or other form of payment not honored by the institution upon which the payment is drawn, a fee shall be charged for the returned payment in accordance with Schedule F-Fees.

If payment is not made within the 10-day period, Cooperative personnel may attempt to visit the Customer for collection of an overdue bill, in such case a fee will be charged in accordance with Schedule F-Fees. If payment is not made at the time of the visit, service may be disconnected without further notice.

If the service is disconnected the Customer must pay all outstanding balances plus all applicable fees and/or arrange for applicable deposit before service will be restored.

Upon disconnection of service for any reason, the Customer shall be sent a final bill at the next regular billing cycle showing the outstanding amount owed after deducting all applicable credits.

D. Budget Billing / Levelized Plan

A Budget /Levelized Billing Program will be available for all Customers in good standing.

The Cooperative will use the Customer's billing history to determine the monthly budget/levelized payment amount. If the Customer is a new Customer, then the Cooperative will base the budget amount off of an estimated annual consumption, or that of a similar premise.

Budget/Levelized amounts are estimates/averages based on previous kWh consumption. As such, they are subject to evaluation and revision during the budget/levelized year to keep them consistent with actual usage.

If the Customer fails to make a regular budget/levelized billing payment by the time of the succeeding bill, a late payment penalty will be assessed and collection efforts initiated as with any other account. If a Customer fails to pay bills as rendered on the budget/levelized billing program, the Cooperative shall have the right to withdraw the plan with respect to such Customer and to restore the Customer to billing as provided for in the applicable rate schedules.

VIII. DISCONTINUANCE OF ELECTRIC DISTRIBUTION SERVICES

Service conductors, meters and other Cooperative electric equipment shall not be disconnected by unauthorized persons. The Cooperative will not be liable for any loss or damage resulting from the unauthorized disconnection of service.

The Cooperative reserves the right to discontinue furnishing electric distribution service to a Customer, irrespective of any claims pending against the Cooperative, upon the occurrence of any one or more of the following events:

A. At Any Time Without Notice

1. Whenever, in the Cooperative's opinion, the conditions of the Customer's wiring, equipment and appliances are either unsafe or unsuitable for receiving electricity, or when the Customer's use of electricity or equipment interfere with, or in the opinion of the Cooperative may be detrimental to the supply of electricity by the Cooperative to any other Customer;
2. Whenever the Cooperative, in its opinion, has reasonable cause to believe that a Customer is, or has been, receiving electric distribution service without paying therefore, or that the Customer in any manner interferes with the proper metering of such electric distribution service. The Customer will pay for any costs incurred by the Cooperative as a result of such actions by the Customer as well as the estimated cost of the electricity used by such Customer but not metered;

3. Emergency repairs or alterations;
4. Unavoidable shortages or interruptions in the Cooperative's source of supply, other cases of emergency; and
5. When ordered by authorities having jurisdiction.

B. With Written Notice

Notice of discontinuance shall be considered to be given to a Customer when a copy of such notice is left with the Customer, left at the premises where his bill is rendered, posted in the United States mail, or sent to the Customer's last Post Office address shown on the records of the Cooperative. Such notices will apply to matters of:

1. Failure to comply with the Terms and Conditions of Service of the Cooperative;
2. Failure to pay bills for regulated electric service;
3. Failure to pay any required deposit;
4. Failure to comply with the terms of any payment agreement, contract, or Agreement for the Purchase of Electric Distribution Service;
5. Failure to allow NOVEC personnel or its representatives access to the Cooperative's meter, wires or other apparatus installed on the Customer's property;
6. Failure to correct any safety hazard having to do with electric service, judged by the Cooperative to be serious, but not life threatening; and
7. Failure to correct violations of the National Electrical Safety Code and the American National Standard Code for Electricity Metering caused by changes in the structure or grade.
8. In any case of any misrepresentation by the Customer to the Cooperative (such as falsifying information on the Application);

C. At Customer's Request

The supply of electricity will be disconnected to any Customer within a reasonable time after receipt of such request from the Customer to the Cooperative. Request for disconnection of service does not relieve the Customer of their obligation to the Cooperative.

IX. RECONNECTION OF ELECTRIC DISTRIBUTION SERVICE

A. Compliance with Terms and Conditions

If the electric distribution service has been discontinued for any of the reasons covered by Section VIII (Discontinuance of the Electric Distribution Services), the Customer shall comply with all Terms and Conditions of Service before the service is reconnected.

The Cooperative shall have a reasonable period of time in which to reconnect the Customer after the Customer has corrected all unsatisfactory conditions, or events that caused the disconnection.

B. Settlement of Charges and Fees

1. Any service disconnected for nonpayment normally shall not be reconnected until full payment is received for:
 - a. All obligations to date;
 - b. A Reconnection Charge and/or applicable fees; and
 - c. Any required deposits.
2. A Customer will normally be reconnected the same day the Customer requests reconnection, during normal working hours and will be assessed a reconnection charge. If a Customer requires that service be reconnected at a time other than regular working hours, an after hours reconnection charge will be assessed. These charges will be determined in accordance with the Schedule F-Fees.

C. Meter Tampering, Current Diversion or Unauthorized Reconnection

The Cooperative may pursue any criminal complaint procedure available under the law. Before reconnection of any service disconnected for meter tampering, current diversion, or unauthorized reconnection of service, the Customer normally must comply with the following conditions:

1. Pay for all damages to Cooperative equipment resulting from the tampering and/or damage of such equipment;
2. Pay an amount estimated to be sufficient to cover service used or service received;
3. Pay the Reconnection Service Charge, if applicable;

4. Pay any other required deposits as identified in Section IV.B. (Requirements for Securing Electric Distribution Service- Deposits); and
5. Make any changes in wiring or equipment which, in the opinion of the Cooperative, may be necessary for the protection of the Cooperative.

X. ELECTRIC SERVICE CHARACTERISTICS

A. Quality and Continuity of Service

The quality of service supplied by the Cooperative shall be in accordance with the accepted standards of the electric utility industry. The Cooperative shall endeavor to provide continuity of electric distribution service as outlined in Section V. G (Interruption of Service).

B. Voltage

The Cooperative's standard voltage for lighting and other domestic uses shall be 120/240 volts, 60 cycles, single-phase alternating current. Three phase voltage will normally be 120/208 or 277/480 4-wire wye. Other voltages may be furnished by special arrangements with the Cooperative and at the option of the Cooperative. The Cooperative will endeavor to maintain the voltage within 7.5% above or below the standard voltage at the termination point of the Cooperative's service conductors on the Customer's premise. Variations in voltage in excess of that specified caused by the action of the elements, the nature of the Customer's equipment, or acts of God, or any other reasons beyond the reasonable control of the Cooperative, shall not be considered as violations of these permissible variations.

XI. METERS AND METERING

A. Ownership and Location

Meters and metering equipment used to measure the energy delivered from the facilities of the Cooperative to the Customer's premise will be installed and owned by the Cooperative. In general, meters shall be located approximately 5 ½ feet above finished grade and on the outside of the building. The location of the meter and the point at which the Cooperative's supply lines terminate on the building of the Customer shall be designated by the Cooperative. The Cooperative will furnish the meter socket, which shall be installed by the Customer as a part of the service entrance. No part of the service entrance shall be concealed before entering the meter socket. The Cooperative shall have clear and unrestricted access to its metering equipment. The Cooperative may require the Customer to relocate, at the Customer's sole expense, any metering equipment and associated facilities that become inaccessible because of the Customer's

actions. There are exceptions to these location requirements with respect to certain large power Customers utilizing different metering equipment.

B. Periodic Testing

Periodic tests of meters used to measure energy delivered to Customers will be made in compliance with The American National Standards Institute (ANSI). A more frequent periodic testing schedule may be instituted if deemed necessary by the Cooperative.

C. Tests Requested by Customer

Upon request by a Customer, the utility shall test their meter provided that such tests need not be made more frequently than once in 24 months. If testing of a meter is required by the Customer to be made more frequently than once in 24 months, the utility shall require a deposit in accordance with Schedule F-Fees. Such fees are refundable only if the percentage registration of the meter exceeds 102%, or is less than 98%.

1. The Customer, or their representative, may be present when the meter is tested.
2. A written report of the results of the test shall be made to the Customer within 10 days after the completion of the test.

D. Meter Inaccuracy

If a meter used to measure electric energy delivered to a Customer's premise is tested and found to be inaccurate by an amount in excess of two percent, whether or not the inaccuracy is in the Customer's favor or disfavor, the Customer or the Cooperative may require that an adjustment to the bills be made. All adjustments due to meter inaccuracies will be in accordance with the condition of the meter as it was found when tested.

If there is an event from which the Cooperative is certain that the meter inaccuracy is deemed to have begun, the adjustment to the bills may be made back to the time of that event or as limited per current state statute, but in no case shall the adjustment exceed 12 months. If no such event is apparent, then bills may be adjusted for the preceding period, for a period equal to one-half of the time elapsed since the last test- not to exceed 12 months. The effect of the adjustment will be rendered to the Customer as an appropriate credit or debit entry on his subsequent statement for electric service.

E. Meter Failure

If the meter is found to not be registering at all, the Cooperative will use the best available information to estimate the monthly consumption of power and energy.

F. Submetering and Grouping Connections to One Meter

It is not permissible for two or more residences, a store or a residence, a residence and trailer home, or any combination of these, to receive service through one meter except where the applicable commercial/ power service rate is applied. Any Customer found to have such unauthorized connection will be promptly notified in writing that separate metering equipment must be installed or the applicable commercial or power service rate will apply. Apartment houses, office buildings and shopping centers, which are not individually metered, may install submetering equipment for each individual unit for the purpose of fairly allocating the cost of each unit's electrical consumption. The procedures for submetering must comply with § 56-245.2 and 56-245.3 of the Code of Virginia.

G. Billing Errors

If a Residential or Small Commercial Customer has been undercharged because of errors other than meter accuracy and the Residential or Small Commercial Customer has neither tampered with the meter nor knew or reasonably should have known of the undercharge, the Cooperative shall bill the Residential or Small Commercial Customer for the electricity used during the entire period of incorrect billing, up to a maximum of 12 months. The Cooperative shall offer the Residential or Small Commercial Customer reasonable payment arrangements for the amount of the bill, taking into account the period of the undercharge. If the Residential or Small Commercial Customer has tampered with the meter or knew or reasonably should have known of the undercharge, then the Cooperative may bill the Residential or Small Commercial Customer as otherwise allowed by law. If any customer other than a Residential or Small Commercial Customer has been undercharged, the Customer may be billed as allowed by law or as allowed by the contract for service between the Cooperative and that Customer. For customers having contracts for service, billing shall be as allowed by such contract.

If any Customer has been overcharged because of errors other than meter accuracy, the Cooperative shall refund or credit the amount of the overcharge for a period not to exceed 36 months, unless the Customer provides appropriate documentation that such error exceeded 36 months in which case the refund shall be for the entire period of overbilling.

XII. CUSTOMER COMPLAINT PROCEDURE

The Cooperative exists to serve its Customers and its policies are designed to provide the best service to the most Customers at the least practical cost.

Customers shall be advised annually of the existence of an established Customer Complaint Procedure that will include the local and toll free telephone numbers of the Cooperative by which they may make inquiries or register complaints. The complete procedure is on file at the Cooperative office. The same information will be furnished to each new Customer with the new Customer packet.

The Cooperative will maintain a toll free telephone answering system that will give Customers access to a Cooperative agent at all hours to report power outages and other emergency situations.

Designated personnel shall be available to receive inquiries from Customers who may request personal consultation at all times that the business office is open to the public.

XIII. LOAD MANAGEMENT

For those Customers who allow the Cooperative to install a load management switch on their water heater, the Cooperative will perform minor repairs to their water heater at no direct cost to the Customer as long as the switch remains at the location. The minor repairs shall include but not limited to, fuse replacement, thermostat replacement, reset replacement, and where practical, element replacement. These repairs will only be performed when, in the judgment of Cooperative personnel, the mechanical condition of the water heater is such that repairs can be made without leaks being created, and when water heaters are accessible without the need for plumbing or carpentry services.

For those customers who allow the Cooperative to install a load management switch on their central air conditioner/heat pump, the Cooperative will send a service representative to help diagnose a problem in the event the customer's air conditioning unit is not working properly. This evaluation is free of charge.

The Cooperative will also waive the service connection fee charged for new service connection, if the load management switch is installed when the new service is initiated.

Retail Access Terms and Conditions

RI. Purpose

To support a Retail Access environment, it is necessary to supplement the Cooperative's existing Terms and Conditions to address how particular provisions of service will be administered so that fair and equitable policies and procedures are maintained.

RII. Applicability

The Retail Access section comprises the principal rules and regulations relative to Retail Choice for non-residential customers only. If the Cooperative deems that a provision in sections I through XIII conflicts with a provision in this Retail Access section, the provision in this section will apply to those customers who elect to purchase their energy from a Competitive Service Provider. Refer to the sections I through XIII above for any information, which is not described below.

RIII. Definitions

In addition to the prior definitions (page 1), these definitions are used in this section.

Business day - any calendar day or computer processing day in the Eastern United States time zone in which the general office of the Cooperative is open for business with the public.

Competitive Energy Service - the retail sale of electricity supply service or any other competitive service as provided by legislation and approved by the State Corporation Commission as part of retail access by an entity other than the local distribution company as a regulated utility.

Competitive Service Provider (CSP) - a person that sells or offers to sell a Competitive Energy Service within the Commonwealth. This term does not include a person that supplies electricity exclusively for its own consumption. A Competitive Service Provider must be licensed and certified by the Virginia State Corporation Commission, have an active contract with the Cooperative, and operate within the confines of the Rules and Regulations of Retail Access as set out by the Commission.

Competitive Transition Charge - the wires charge, as provided by § 56-583 of the Code of Virginia, that is applicable to a retail customer that chooses to procure electricity supply service from a competitive service provider.

Consolidated Billing - the provision of a single bill to a retail customer that includes the billing charges for services rendered by a competitive service provider and the Cooperative.

Distribution Delivery Service - the provision of electric distribution and related services provided by the Cooperative.

Regulated Supply Service - service made available to retail Customers who (i) do not affirmatively select a supplier, (ii) are unable to obtain service from an alternative supplier, or (iii) have contracted with an alternative supplier who fails to perform. Such service is provided under regulated rates on file with the Virginia State Corporation Commission.

Retail Access - the opportunity for a retail customer in the Commonwealth to purchase a competitive energy service from a licensed competitive service provider seeking to sell such services to that customer.

Virginia Electronic Data Transfer Working Group (VAEDT) – the group of representatives from electric and natural gas Local Distribution Companies, Competitive Service Providers, the Staff of the State Corporation Commission, and the Office of Attorney General, whose objective is to formulate guidelines and practices for the electronic exchange of information necessitated by retail access.

RIV. Governing Documents

Unless otherwise stated, the Cooperative and CSP will operate according to the Rules and to the maximum extent possible the standards set by the VAEDT. If anything stated herein is found by the Commission to conflict with or to be inconsistent with any provision within the Rules, or any rule, regulation, order or determination of the Commission, the applicable Commission rule, regulation, or order shall control.

RV. Competitive Service Provider Certification and Registration Requirements

A CSP must first be licensed by the Commission to provide Competitive Energy Services as provided in the Rules Governing Retail Access to Competitive Energy Services (“Rules”), Case Number PUE010013.

A CSP must also successfully execute all agreements and creditworthiness standards as may be deemed appropriate by the Cooperative in order to have the Cooperatives’ consent to provide energy services within its service territory. Although a CSP may successfully accomplish the above, the Cooperative in no way warrants the CSP or the actions of the CSP.

For a list of CSPs providing energy services within our service territory, please see our web page at www.novec.com, or for a list of CSPs providing energy within the state visit www.yesvachoice.com.

RVI. Special Meter Provisions

The Customer shall obtain full electric supply requirements for each account from a CSP or from the Cooperative's Regulated Supply Service. An account is one metered and/or unmetered service classification, which normally has one electric delivery point of service. If an account consists of both a metered and unmetered service and the Customer chooses to receive electric supply from a CSP, then such CSP shall serve both the metered and unmetered services.

A representative of the Cooperative will attempt to read meters monthly on a scheduled basis. Customers with meters that are not readily accessible will be put on a budget/levelized payment plan with the meter being read by appointment on a semi-annual basis. The Customer's budget/levelized payment plan will be adjusted in accordance with the meter reading obtained by the meter reader. If the CSP requires monthly meter readings and the Cooperative deems that the meter needs to be relocated to provide ease of accessibility, then the costs for such relocation shall be computed as outlined in Section VI. C and shall be borne by the CSP.

RVII. Enrollment With a Competitive Service Provider

A Customer can switch to a CSP on its next scheduled meter reading date only after the Cooperative has received fifteen (15) calendar days advance notice from the Customer's new CSP of the Customer's decision to switch. When the Customer exercises the right to purchase electric supply services from a CSP for an account, the Customer must purchase all of its electric supply services for the account from one CSP. The Customer may not have multiple CSPs for one account at the same time.

A. Special Conditions

1. Competitive Service Provider Service to Single Points of Delivery

A Customer with a single account who elects to receive their electricity supply from a CSP is limited to purchasing from one CSP in any billing period.

2. Multiple Points of Delivery

Customers with more than one account with the Company may be served by more than one CSP. However, service to each account is limited to a single CSP.

B. Competitive Service Provider Selection

Each Customer may choose a CSP. Any agreement, including rates and charges, shall be between such Customer and the selected CSP. The Cooperative shall be

under no obligation to enforce any contract or agreement between a CSP and a Customer.

C. Information Provided By The Cooperative At The Time of Enrollment With a Competitive Service Provider

Historical Usage information for a participating Customer will be made available upon request of a CSP following the successful enrollment of that Customer. Such information will be 12 months of billing data to the extent it is available. The Cooperative is not responsible for Customer information once provided to a CSP.

Historical information may be made available to CSPs prior to enrollment provided that the Customer has not opted-out of the mass list, or if the Customer has provided authorization to the CSP to collect such information.

D. Processing of Enrollment Application

When the Cooperative receives an enrollment application for a Customer, that application will be processed with the selected CSP. Once the Cooperative deems that the application is valid, any further applications received for that Customer during that enrollment period will be considered void.

After an enrollment application has been deemed to be valid for a Customer, the Cooperative will notify in writing the Customer (to verify that the Customer has made an affirmative election to change its CSP) that they have been enrolled for service with the selected CSP. The Customer will then have 10 calendar days from the mailing of such notice to advise the Cooperative to cancel such enrollment without penalty. In the event the Customer so advises the Cooperative within the 10 calendar days, the Cooperative will inform the CSP that the Customer has denied changing suppliers, and the Customer will continue to receive service from the last supplier of record.

E. Transition to Competitive Service Provider

Once an enrollment application is considered valid, the Customer will begin to receive electricity supplied from the CSP at the Customer's next scheduled meter reading date (if the application is received 15 days prior to the next scheduled meter reading date). If the application is received by the Cooperative less than 15 days prior to the Customer's next scheduled meter reading date, then the selected CSP will not begin to supply the Customer with electricity until the next following scheduled meter reading date.

F. Cooperative's Competitive Services

The Code of Virginia gives the Cooperative the right to offer and make unregulated sales of electric power to its Customers within its certificated service territory.

RVIII. Changing Competitive Service Provider's and Returning to Regulated Supply Service

A. Changing Competitive Service Providers

A Customer may change from one CSP to another CSP by contacting the new CSP. A Customer may change its CSP each billing month. The Cooperative will process any changes in accordance with Sections RVII. D and RVII. E above.

B. Returning to Regulated Supply Service

If a Customer contacts the Cooperative to request a change from a CSP to the Cooperative's Regulated Supply Service, the Cooperative will process the request in accordance with the same procedure outlined in Section RVII. The Cooperative will send the Customer a confirmation letter notifying the Customer of the right to rescind the request. If the Customer does not contact the Cooperative to rescind within the rescission period, then the Cooperative will complete the request. The request will be effective as of the next scheduled meter read date and the Cooperative will become the Electricity Supplier of record in accordance with applicable Commission Orders, Rules, and Regulations, as well as the Virginia Code. The Cooperative will notify the Customer's current CSP of the discontinuance of Service to the Customer from that CSP. The CSP acknowledges that the Cooperative will accept Customer requests to switch to Regulated Supply Service via a telephone call to the Cooperative's Customer Service Center, as well as a letter, facsimile, or request in person. The Cooperative will use its best efforts to assure the integrity of such verbal Customer requests.

If a Customer returns to Regulated Supply Service and has an annual peak demand of 500 kW or greater, then such Customer will be obligated to remain with the Cooperative for not less than twelve (12) months before such Customer will be eligible to receive their supply service from a CSP. Such Customers returning to Regulated Supply Service may be required to sign a Purchased Power Agreement.

RIX. Deposits

The Cooperative may require the Applicant or Customer to deposit with it initially and from time to time, as a guarantee of payment for regulated electric services used (including both Regulated Supply Service and Distribution Delivery Service), such amount as, in the Cooperative's judgment, may secure it from loss. The amount of this deposit shall not be greater than an estimated billing for two months' service.

A. Conversion of Customer From Regulated Supply Service to a Competitive Service Provider

At such time as a Customer enrolls with a CSP, if the Cooperative is holding a deposit for said Customer the Cooperative will recalculate the amount of deposit required (based on all regulated utility services being purchased from the Cooperative at that time) and will return any excess deposit to the Customer in the form of either a credit on said Customer's next bill, or the amount will be applied to the Customer's past due Cooperative charges.

B. Return of Customer From a Competitive Service Provider to Regulated Supply Service

At such time as a Customer returns to the Cooperative's Regulated Supply Service from a CSP, the Cooperative may require an additional deposit to be made by the Customer based on all utility services being purchased from the Cooperative at that time- not to exceed the estimated billing for two months' service.

RX. Billing and Payment

A. Where to Send Payments

Customers should send their payments to the remittance address specified on their bill. The Cooperative will not be responsible if a payment that should have been sent to the Cooperative is sent directly to a CSP in error.

B. Budget/Levelized Plan

Customers who are currently on the Cooperative's Budget/Levelized Billing Plan and who choose a CSP must bring the Cooperative account balance to zero or make other payment arrangements acceptable to the Cooperative before switching to a CSP.

The Cooperative's Budget/Levelized Billing Plan will continue to be available for the Distribution Delivery Service portion of the bill to those Customers who receive only Distribution Delivery Service from the Cooperative.

C. Payment Hierarchy

For a consolidated bill rendered by the Cooperative, payments will be applied in the following order:

1. Regulated service arrearages owed the Cooperative;
2. Competitive Energy Service arrearages owed the CSP;
3. Regulated service current charges of the Cooperative;

4. Competitive Energy Service current charges of the CSP; and
5. Other charges.

This payment hierarchy will be used unless the Customer denotes on the payment otherwise. Collection of state consumption tax and local utility tax shall be remitted as required by law.

D. Delinquent Bills

The Cooperative will bill for both Cooperative charges and charges from the Customers current CSP. However, the Cooperative will continue to bill delinquent charges due to previous supplier(s) for up to two billing cycles once the CSP is no longer the supplier of record. The Cooperative and the CSP will each be responsible for the communication, notification and collection of its portion of delinquent bills.

E. Fuel Assistance Allocation

All fuel assistance payments will be allocated to Cooperative charges first and any remaining amounts will be allocated to the CSP, unless the Fuel Assistance Agency designates otherwise.

F. Metering Adjustments

In addition to the terms set out previously in these Terms and Conditions of Service, if it is found that a meter reading was incorrect for any reason the Cooperative is responsible for researching and correcting, as necessary, such reading. The Cooperative will solely determine if any metering adjustment is warranted. If the Cooperative determines a metering adjustment is warranted, the Cooperative will solely determine the method to use in adjusting the Customer's demand and/or energy usage, and the extent of the adjustment. All parties will accept the Cooperative's usage data, whether actual or adjusted, as final.

RXI. Competitive Service Provider Discontinuation of Service

A CSP may decide to discontinue service to any Customer pursuant to the Rules. Customers who believe that their CSP has discontinued their supply service wrongfully and are unable to resolve the issue with the CSP, are encouraged to contact the Commission.

RXII. Disconnection/Reconnection of Service

The Cooperative cannot disconnect service to the Customer for arrearages owed to the CSP. A Customer may not be disconnected for nonpayment of unregulated service

charges. The Cooperative can disconnect service to the Customer for any and all charges owed to the Cooperative for regulated services, including Regulated Supply Service.

The Cooperative will reconnect service to the Customer at the time that the Customer has satisfactorily paid or made payment arrangements with the Cooperative for all regulated service arrearages (including reconnection fees) due the Cooperative. Upon reconnection, the Customer will return to Regulated Supply Service.

RXIII. Dispute Resolution

In the event of a dispute between the Cooperative and a CSP or Customer regarding the application of the Cooperative's Terms and Conditions, and Schedules for Supplying Electricity, the Cooperative and the CSP or Customer shall attempt to resolve such dispute by mutual agreement. The CSP, Customer, or Cooperative may file a complaint with the Commission if the parties are not able to resolve the dispute.

APPENDIX

Schedule F - Fees

Type of Fee or Service Charge	Amount
A. Membership Fee - Initial Service Connection	\$1.00 (Refundable)
B. Service Connection Fee	\$40.00
C. Reconnection Charge to Existing Customers (Must be Paid in the Cooperative's Office During Normal Working Hours). If the Actual Reconnection is Performed: 1.) During Working Hours, per Trip per Account 2.) After Working Hours, per Trip per Account	\$45.00 \$65.00
D. Collection of Delinquent Accounts	\$40.00
E. Returned Check Processing Fee	\$35.00
F. Meter Testing Deposit Single-phase meters Polyphase meters	\$100.00 \$155.00