

United Electric Cooperative, Inc.

PREPAID METERING TERMS & CONDITIONS

Prepaid Electric Service (PrePay) is a voluntary “pay as you go” plan offered by United Electric Cooperative, Inc. where the member is in control – no advance deposits and the ability to structure payments in a way that best fits the member’s needs.

Prepay allows the member to view their daily usage online and receive notifications about the status of their account. PrePay eliminates the requirement for large security deposits.

For accounts electing PrePay, the terms and conditions outlined below supersede the standard rules of service that might otherwise apply.

Eligibility

Individuals must be members of United Electric Cooperative and have an application for electric service on file to participate in PrePay.

PrePay Advantages

- No deposits are required.
- No late payment penalties.
- Payments can be made on the members’ own schedule.
- Members can easily monitor daily usage and costs.
- Account balances are updated daily, eliminating large end-of-month bills.

Beginning PrePay

- New accounts can begin service under the PrePay option by establishing an initial \$80.00 prepaid credit balance.
- For an existing account converting to PrePay, previous security deposits, outstanding balances and fees will be net into an initial payment arrangement.

Initial Payment Arrangement

An initial payment arrangement is available for the outstanding balance prior to prepayment. With such an arrangement, United will apply 50% of the member’s prepay amount to the outstanding balance and 50% to the prepay balance, until the outstanding balance is paid in full. The 50/50 split does not apply to the initial \$80 minimum prepay.

Once Prepay Service Begins

- Electricity usage (kWh) and incremental fixed charges (e.g. basic service charge, security light, initial payment arrangement, etc.) will be billed and posted against the account balance daily. In the event that a daily meter reading is not available for billing, an

estimated meter reading will be used and trued-up in a subsequent billing. Fixed charges are billable even if the electric service is interrupted.

- Any incentive payments or bill credits (e.g. annual meeting registration credit, etc.) will be applied in full during the next monthly billing cycle.
- The member is responsible for sustaining a credit balance to maintain service at all times.
- Account balance inquiries can be made 24 hours a day by utilizing the telephone or internet-based payment systems.
- When the account reaches a negative balance, United Electric will disconnect the next business day or as soon as feasible.
- Payments can be made at United's offices during normal business hours, by mail, or by utilizing the telephone or internet-based payment system, which is available 24 hours a day. A \$25 minimum payment is required.
- If an account is disconnected because a credit balance is not maintained, billing will continue for the incremental fixed charges (e.g. basic service charge, security light, payment arrangement, etc.) for up to 30 days or until the member requests to permanently disconnect the account.
- An account that has been disconnected within the previous 30 days because a credit balance was not maintained can have service restored once the current account balance (excluding initial 50/50 payment arrangement) plus a minimum \$80.00 prepaid credit is paid. Following full payment, the service will be reconnected during regular business hours.
- An account that has been disconnected for more than 30 days because a credit balance was not maintained will be inactivated and permanently disconnected. Any remaining payment arrangement balance or other contractual obligation would be posted to the account in full. Service may be resumed by contacting the office and paying the current account balance and all applicable fees (e.g. \$80.00 reconnect fee and minimum \$80.00 initial credit balance).
- If payment on the account does not convert to usable funds (e.g. a returned check), the payment credit will be immediately reversed, and all applicable fees will be assessed. If the account no longer has a credit balance, it will be subject to disconnect.
- Energy assistance payments are applied to accounts upon receipt of payment by the cooperative during normal business hours. Pledges will not prevent disconnecting of service.
- Payment arrangements, other than an initial payment arrangement previously described, are not available for PrePay accounts.
- Accounts protected by a moratorium (e.g. the low-income energy assistance program) would not be disconnected for failure to maintain a credit balance during the moratorium period but would be subject to disconnect once the moratorium period ended.
- Budget billing is not available for PrePay accounts.
- A PrePay account that was subject to a deposit prior to initiating the prepaid service option within the previous 24 months, or that has been disconnected within the previous 6

months for failure to maintain a credit balance, will be subject to a deposit if it converts to a regular billed account.

- An optional email and/or text low-balance notification service is available. By default, a member would be notified if the account credit balance falls below \$25.00.
- If a low-balance notification service is elected, it is the members' responsibility to maintain and keep United informed of the available means of communication. Any voice, data, or text messaging costs incurred by the member are the responsibility of the member. The member acknowledges that notifications may not be received for a variety of reasons and that there is no guarantee that timely notification will be received. The member further acknowledges that he or she is responsible for maintaining a credit account balance whether or not timely notifications are received and hold United Electric Cooperative harmless from a liability for injuries or damages that might result from failure to receive timely notifications.

Miscellaneous

- Any work on the electrical system should only be performed by knowledgeable individuals employing proper safety measures. An automatic disconnect of a PrePay service for failure to maintain a credit balance does NOT create a safe condition for work on the electrical system. Equipment failure or automatic service reconnection could result in dangerous voltages being present.
- All equipment installed to provide prepaid electric service remains the property of United. The member is responsible for damage to any of United's equipment installed at the service location.
- A member electing PrePay service assumes full responsibility, holds harmless, and indemnifies United Electric Cooperative from any liability for any consequences, including personal injury, death, or property damage, stemming from actions the member may undertake or cause to be undertaken, or from failure on the part of the member to make timely purchases of electricity in order to maintain uninterrupted electrical service.
- A member electing PrePay service remains subject to all United's bylaws, rules and regulations, and policies, except where the Prepaid Metering Terms and Conditions supersede the standard rules that would otherwise apply.
- The Prepaid Metering Terms and Conditions are subject to modification at the discretion of the management and board of directors of United Electric Cooperative.
- No interest is paid on Prepay amounts.