

SAWNEE ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 420

SUBJECT: PREPAID METERING PROGRAM

I. OBJECTIVE

- A. This policy exists to define the various attributes, as well as the service rules and regulations, associated with Sawnee Electric Membership's (the "Cooperative's") Prepaid Metering Program ("Program").
- B. This policy defines the attributes and requirements of the Program, as well as the provisions to be applied under the Program.

II. CONTENT

A. General

- 1. The Program, as defined herein, is voluntary and a participating member ("Participant") must request to participate in the Program by executing the supplemental contract ("Prepaid Metering Program Terms and Conditions", Exhibit 1 attached hereto).
- 2. The Cooperative, at its sole discretion, may elect not to accept a member into the Program.
- 3. The Cooperative may remove a Participant from the Program for not adhering to the requirements as stated herein, or as may be amended.
- 4. Certain monthly values applicable to a member's account(s) may be converted to "daily values" under the Program.

B. Requirements

- 1. Participants in this Program are responsible for all aspects of the administration of their account under the Program.
- 2. Participants are strongly encouraged to subscribe to the Cooperative's online bill payment portal.
- 3. The Program is limited to the Cooperative's single phase (equal to or less than 200 amp service) account(s) that qualify to receive service under the Cooperative's Retail Rate Schedule "H", Residential Service.
- 4. Certain limitations and exceptions apply and are outlined below.

C. Limitations and Exceptions

1. This Program is limited to:
 - a. Single phase, 200 amp or less, service applicable under the Cooperative's Retail Rate Schedule "H" and/or locations which qualify for and receive service under this rate schedule; and
 - b. Eligible members who agree to abide by the service rules and regulations of the Program, as they may exist from time to time and as amended and defined herein.
2. Members are not eligible for the Program if:
 - a. The member, or a resident within the same premises, has a medical condition requiring electric service to prevent the occurrence of a life-threatening medical emergency.

D. Cooperative Programs Which Do Not Apply to the Prepaid Metering Program

1. The Cooperative's Budget Billing program, as defined in Policy 310, Residential Budget Billing Plan, is not available under this Program. The Sawnee Foundation program known as "Operation RoundUp" is not available under this Program.
3. Members enrolled in this Program do not have the ability to make payment arrangements as provided for under the Cooperative's Policy 403, Payments, Disconnection for Non-Pay and Arrangements.
4. The Cooperative's Electronic Fund Transfer payment program is not available under this Program.
5. The Cooperative's Net Energy Metering Rider (NEM) is not available for use under this Program.
6. The Cooperative's Bank Draft and Credit Card draft programs are not available under this Program.
7. The following fees listed under Policy 302, Service Fees, shall not apply to Participants in this Program:
 - a. Late Payment Fee as found in Content, "II", Type of Service, "A", Late Payment, "5", Residential, "a"; and
 - b. Service Reconnection fee as found in Content, "II", Type of Service, "A", Service Reconnection, "3", Paragraph "a".

E. Retail Rate Schedule

1. Participants in the Program will be billed by the Cooperative for all costs and electric energy used while in this Program, under the Cooperative's Retail Rate Schedule "H" (Residential Service), as it exists or may be amended by the Board of Directors.
2. Certain cost(s) for this rate may be converted to a "daily value" and assessed daily.

F. Daily Energy Reading

1. The Program will use, whenever possible, actual data, and in some cases estimated data, relating to daily energy readings derived from the data contained in, or received from, the Participant's watt-hour meter located at the Participant's service location or in the case of an estimate, as may be developed by the staff of the Cooperative.
2. Missed or missing daily energy usage readings may be "estimated" should the actual meter reading not be received in a timely manner or is otherwise unavailable.
3. Should the Cooperative, for whatever reason, not be able to obtain an actual daily meter reading for an extended period of time, it may elect to collect an actual meter reading and once collected, may make such adjustments (debit or credit) as may be necessary to the billed energy and amount owed by the Participant to reflect the actual amount of energy used under the Program.

G. Billing

1. Paper bill forms and/or paper billing statements will not be provided under the Program via U.S. Mail or otherwise.
2. Information about payments, bill amounts and/or account balances will be available through the Cooperative's payment portals and/or other remote access channels.

H. Payments

1. Members must make an initial prepayment for electric service of a minimum of forty dollars (\$40), plus the applicable fees specified in Policy 302, Service Fees, as well as any other applicable fee (e.g., membership or other).
2. The initial prepayment will be credited to the Participant's prepaid account at the time the member begins service under this Program.
3. Payments are posted to a Participant's account once they are received.
4. Energy assistance pledges and/or payment assistance support will be applied to a Participant's account when such payments are actually received by the Cooperative.

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I. Outstanding Balances Due

1. A Participant must agree to pay all outstanding amounts owed to the Cooperative prior to enrolling into the Program.
2. A maximum initial amount of \$400 owed to the Cooperative will be allowed to be placed on a prepaid arrangement.
3. Any unbilled energy charges must be paid prior to participating in the Program.
4. Failure to pay any outstanding amounts owed to the Cooperative in accordance with either the arrangement or the provision of the Program will result in the Participant's electric service being disconnected.

J. Minimum Balance Requirements

1. A Program Participant will be required to maintain a credit balance or a balance equal to zero (\$0) in their account at all times under this Program.
2. Once a Program Participant reaches a balance less than zero (\$0) on the account, the Participant's electric service shall be subject to immediate disconnection.

K. Disconnect Notices

1. A Participant will not receive printed / paper delinquent notices via U.S. Mail under this Program.
2. All official communications under the Program, which include notice of disconnection of service and low account balance notices will be provided through the Cooperative's online portals.

L. Service Security Deposit

1. All deposit amounts, as defined under Policy 307, Service Security Deposits - Residential, do not apply to Participants while enrolled in this Program.
2. Policy 307, as it currently exists or as it may be amended, does apply when a person seeks to re-establish / establish electric service with the Cooperative when not participating in this Program.
3. The credit history established with the Cooperative while receiving service under the Program will not be considered when evaluating the application of the criteria defined under Policy 307.
4. All existing deposits which have been paid on the affected account by a Participant, and retained by the Cooperative, shall be credited to the Participant's account as a part of participating in the Program.
5. A refund of any excess deposit amounts will be considered by the Cooperative on a case-by-case basis.

M. Disconnection of Service and Membership Termination

1. A Participant in the Program will be disconnected from service once they have a balance of greater than zero (\$0) on the account.
2. Members enrolled in the Program, whose disconnection may be deferred pursuant to the Cooperative's rules, will accrue debt for all electric service provided during the deferral period and will be responsible for paying all such amounts to maintain service.
3. Disconnection can occur at any time (7 days/week, 24 hours/day) including holidays and weekends (Saturday and Sunday).
4. Participants disconnected for a period of seven (7) days or more will be considered inactive, have their membership terminated, and will receive a "final bill" including all amounts for service received, less payments and refunds of refundable fees and charges.
5. Final bills for inactive accounts will be sent via U.S. Mail to the Participant's last known address on file with the Cooperative for the account in question.
6. For inactive accounts, all amounts then owed, together with other applicable fees and charges, must be paid prior to service being restored.
7. Former Participants whose accounts are inactive shall not be considered members and shall not be entitled to exercise any rights of a member unless a new membership is established in accordance with the Cooperative's Bylaws.

N. Service Restoration Prior to an Account Becoming Inactive

At any time prior to a Participant's account being deemed "inactive":

1. Once a Participant's electric service has a credit balance or a balance equal to zero (\$0) on the account, service will generally be restored / re-established as soon as practical.
2. Service restoration will occur by a remote device, located at the Participant's residence thus remotely restoring service.
3. The Participant may be required to take certain actions, as directed by the staff of the Cooperative, before electric service can be restored to ensure such restoration is occurring in a safe and appropriate manner.
4. The staff of the Cooperative may provide Participants with specific instructions as to the step(s) needed to restore service, once it has been disconnected and the account balance is greater than zero (\$0).

O. Outstanding Balances at Program Initiation

1. Program Participants will only be allowed to make a one-time payment arrangement for any “outstanding” balance then owed to the Cooperative in the amount of \$400 or less under this Program.
2. The portion of any outstanding balance then due to the Cooperative greater than \$400 must be paid, in full, prior to being accepted to this Program.
3. All payments made under this Program, which have a payment arrangement created prior to entering the Program, as described herein, will be credited as provided for below:
 - a. 50% of any payment shall be applied to the one-time payment arrangement balance; and
 - b. 50% of the payment shall be applied to the Program.
4. After the payment arrangement has been satisfied, all future payment amounts will be credited to the Participant’s account under the Program.

P. Indemnification

1. A Program Participant shall assume all liability for and shall indemnify the Cooperative and its members, trustees, directors, officers, managers, employees, agents, representatives, affiliates, successors and assigns for – and shall hold them harmless from – any and all claims, losses, costs and expenses of any kind or nature to the extent they relate to the account, participation in the Program, Participant’s failure to comply with the provisions of the Program or obligations established herein, disconnection of the account, restoration of service to the account and interruption of service to the account, including but not limited to damages or losses from:
 - a. personal injury or death;
 - b. property damage;
 - c. damages for financial or monetary losses allegedly due to disconnection of electric service, interruption of electric service or restoration of electric service to the prepay account;
 - d. inconvenience or discomfort from disconnection of electric service, interruption of electric service or restoration of electric service to the account;
 - e. health problems asserted to be related to disconnection of electric service, interruption of electric service or restoration of electric service to the account;
 - f. costs, expenses or attorney’s fees incurred for a claim or lawsuit relating to disconnection of electric service, interruption of electric service or restoration of electric service to the account;

- g. any and all obligations asserted by or on behalf of third parties arising out of or resulting from the account or Participant's failure to comply with obligations established under this Program;
 - h. any and all property damage, personal injury or death related to the restoration of electric service to the account after a period of disconnection; and
 - i. any consequential damages related to the account.
- 2. Participants in the Program assume responsibility for all electrical appliances and operating systems on the Participant's side of the meter (i.e., such as stoves, heaters, heating systems, irons, hair dryers, etc.) which had been operating at the time of disconnection and which may then be re-energized at time of reconnection.
 - 3. Participants indemnify the Cooperative from any damages whatsoever (personal injury, property damages, business losses, consequential damages, third party damages) related to restoration of electric service to the account.

Q. Other

- 1. Street Lighting – All streetlights billed by the Cooperative under its Outdoor Lighting (“OL”) rate schedule relating to a Participant's account in the Program will be based on monthly charges associated with the streetlight.
- 2. Meter Tampering – If tampering with any of the Cooperative's property or equipment is discovered, the Participant will be removed from the Program and additional fees and/or deposits will apply as outlined in the applicable policy.
- 3. Program Termination and/or Changes – The staff of the Cooperative reserves the right to remove any Participant from the Program at any time. Also, the Board of Directors of the Cooperative, at its sole discretion, reserves the right to amend and/or cancel this policy and Program, at any time, without notice.

R. Acknowledgement

- 1. Participants in the Program must acknowledge, in writing, the acceptance of the Program requirements, as stated herein on Exhibit 1, attached to and made a part of this policy.

III. RESPONSIBILITY

It shall be the responsibility of the President and Chief Executive Officer to administer this policy, to develop appropriate controls for its overall enforcement and to report his findings to the Board of Directors.

ADOPTED: 09/18/14
REVISED: 11/20/14
 03/03/15
 09/17/15
 11/15/18
 03/18/21

EFFECTIVE: 01/01/15
 01/01/15
 03/04/15
 09/18/15
 11/16/18
 03/19/21

**SUPPLEMENTAL CONTRACT
PREPAID METERING PROGRAM TERMS AND CONDITIONS
(Exhibit 1)**

The undersigned (hereinafter called the “Member”) hereby applies for participation in Sawnee Electric Membership Cooperative’s (hereinafter called “Sawnee EMC”) Prepaid Metering Program (“Program”), and agrees to abide by the following terms and conditions:

1. The Member acknowledges that in addition to this Supplemental Contract, the following documents, as they may exist from time to time, shall also apply to and govern the terms of the Member’s electric service from Sawnee EMC: (i) the Member’s Application For Membership, (ii) Sawnee EMC’s Bylaws, (iii) Sawnee EMC’s Service Rules and Regulations, (iv) Sawnee EMC’s Policies (including, without limitation, Policy 420, attached hereto); and (v) Sawnee EMC’s applicable rate or rate(s). This Supplemental Contract, and all the forgoing documents, as they may exist from time to time, shall be binding upon both parties and shall be referred to herein as the “Governing Documents.” To the extent that any provision of this Supplemental Contract or Policy 420 conflicts with any provision of another Governing Document, the provisions of this Supplemental Contract and Policy 420 shall control.
2. The Member shall pay any membership, transfer, connect and/or applicable fees as specified in the Governing Documents.
3. The Member acknowledges that Program participants will not receive a monthly statement of electric usage or other applicable fees or charges.
4. The Member shall be responsible for regular monitoring of the balance on the Program account and understands that electric service may be turned off immediately (including on weekends and holidays) without written notification once the balance on the account is less than zero (\$0.00).
5. The Member acknowledges that electric service can be restored automatically and immediately upon a payment being made. **The Member must ensure that all electric appliances are turned off, and the electric system is safe to be re-energized, prior to the Member making a payment while service is disconnected. By signing below, the Member accepts full responsibility for, and agrees to hold Sawnee EMC harmless for, any and all damages arising from the re-energizing of the Member’s electric service upon the deposit of a payment.**
6. If electric service remains disconnected for a period of seven (7) days or more, the Member’s membership in Sawnee EMC will be terminated and the Member will receive a final bill. After membership is terminated, the Member will no longer enjoy the rights of membership, and reinstating electric service will require completion of a new membership application, payment of a new membership fee and compliance with such other terms of service as may then apply.

Please complete the following section and return to Sawnee EMC at 543 Atlanta Highway, Cumming, GA 30040 or via email at customerservice@sawnee.com.

Account Number: _____

Service Address/Location: _____

Date: ___/___/_____ Mobile Phone Number: () _____ - _____

E-Mail Address: _____

Member Name (Print)

Joint Member Name (Print)

Member Signature

Joint Member Signature