

YOUR RIGHTS AS A CUSTOMER

NAVARRO COUNTY ELECTRIC COOPERATIVE, INC.

3800 West Highway 22 • (903) 874-7411 or 1-800-771-9095

P.O. Box 616 • Corsicana, Texas 75151-0616

I. "YOUR RIGHTS AS A CUSTOMER"

Available in both English and Spanish by mail and at the Cooperative office upon request.

II. RATE AND SERVICE INFORMATION

You may, either by phone or by personal visit to the Cooperative's business office located at 3800 West Highway 22, P.O. Box 616, Corsicana, Texas 75151-0616, request copies of any portion of the Cooperative's rate and service tariffs. A nominal reproduction charge will be made for each copy and postage will be added if the copies are mailed.

III. METER TESTING

A. The Cooperative, upon the request of a customer, and if he/she so desires, in their presence or in that of their authorized representative, make without charge a test of the accuracy of the customer's meter. The test shall be made during the Cooperative's normal working hours at a time convenient to the customer if he/she desires to observe the test. The test shall be made preferably on the customer's premises, but may, at the Cooperative's discretion, be made at the Cooperative's test laboratory. If the meter has been tested by the Cooperative, or by an authorized agency, at the customer's request, and within a period of four (4) years the customer requests a new test, the Cooperative shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, Incorporated, the Cooperative may charge the customer a fee which reflects the cost to test the meter, but their charge shall in no event be more than fifteen dollars (\$15.00) for a residential customer. Following the completion of any requested test, the Cooperative shall promptly advise the customer of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

B. BILL ADJUSTMENT DUE TO METER ERROR

If any meter is found to be outside of the accuracy standards established by the American National Standards Institute, Incorporated, proper correction shall be made of previous readings for the period of six months immediately preceding the removal of such meter from service for the test, or from the time the meter was in service since last tested, but not exceeding six months, as the meter shall be shown to be in error by such test, and adjusted bills shall be rendered. No refund is required from the Cooperative except to the customer last served by the meter prior to the testing. If a meter is found not to register for any period, unless bypassed or tampered with, the Cooperative shall make a charge for units used, but not metered, for a period not to exceed three months, based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

IV. BILLING

A. DUE DATE

The due date of the bill for electric service shall be 16 days after issuance. A bill for electric service is delinquent if not received at the Cooperative by the due date. The postmark, if any, on the envelope of the bill, or an issuance date on the bill, if there is no postmark on the envelope, shall constitute proof of the date of issuance. If the due date falls on a holiday or weekend, the due date for payment purposes shall be the next work day after the due date.

B. PENALTY AND LATE FEE ON DELINQUENT BILLS FOR RETAIL SERVICE

A one-time penalty not to exceed 5.0% may be made on delinquent commercial and industrial bills. A "Late Fee" not to exceed \$15.00 may be charged to delinquent non-commercial and residential bills. The penalty or late fee on delinquent commercial, industrial, non-commercial and residential bills may not be applied to any balance to which the penalty or late fee was applied in a previous billing.

V. DISCONTINUANCE OF SERVICE

A. DISCONNECTION FOR DELINQUENT BILLS

A customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice has been given. Proper notice shall consist of a separate mailing or hand delivery at least 10 days prior to a stated date of disconnection, with the words "termination notice" or similar language prominently displayed on the notice. The information included in the notice shall be provided in English and Spanish as necessary to adequately inform the customer. Attached to or on the face of the termination notice or electric bill shall appear a statement notifying the customer that if they are in need of assistance with the payment of their bill, or are ill and unable to pay their bill, they may be eligible for payment assistance or special payment programs, such as deferred payment plans, disconnection moratoriums for the ill, or energy assistance programs, and to contact the office of the Cooperative for information on the available programs. If mailed, the cut-off day may not fall on a holiday or weekend, but shall fall on the next working day after the 10th day. The Cooperative shall not issue late notices or disconnect notice to the customer earlier than the first day the bill becomes delinquent, so that a reasonable length of time is allowed to ascertain receipt of payment by mail or at the Cooperative's authorized payment agency.

B. DISCONNECTION WITH NOTICE

Service may be disconnected after proper notice for any of the following reasons:

- (1) failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement;
- (2) violation of the Cooperative's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of nonstandard equipment, if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation; or
- (3) failure to comply with the deposit or guarantee arrangements where required.

C. DISCONNECTION WITHOUT NOTICE

Utility service may be disconnected without a notice where a known dangerous condition exists for as long as the condition exists or where service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment or in instances of tampering with the Cooperative's meter or equipment, bypassing the same, or other instances of diversion. Where reasonable, given the nature of the hazardous condition, a written statement providing notice of disconnection and the reason therefore shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

D. DISCONNECTION PROHIBITED

Utility service may not be disconnected for any of the following reasons:

- (1) delinquency in payment for utility service by a previous occupant of the premises;
- (2) failure to pay for merchandise, or charges for non-utility service provided by the Cooperative;
- (3) failure to pay for a different type or class of utility service unless fee for such service is included on the same bill;
- (4) failure to pay the account of another customer as guarantor thereof, unless the Cooperative has in writing the guarantee as a condition precedent to service;
- (5) failure to pay charges arising from an underbilling occurring due to any misapplication of rates more than six months prior to the current billing;
- (6) failure to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due; or
- (7) failure to pay an estimated bill other than a bill rendered pursuant to an approved meter-reading plan, unless the Cooperative is unable to read the meter due to circumstances beyond its control.

E. DISCONNECTION ON HOLIDAYS OR WEEKENDS

Unless a dangerous condition exists, or unless the customer requests disconnection, service shall not be disconnected on a day, or on a day immediately preceding a day, when personnel of the Cooperative are not available to the public for the purpose of making collections and reconnecting service.

F. DISCONNECTION DUE TO UTILITY ABANDONMENT

The Cooperative may not abandon a customer or a certified service area without written notice to its customers therein and all similar neighboring utilities, and approval from the commission.

G. DISCONNECTION FOR ILL AND DISABLED

The Cooperative may not discontinue service to a delinquent residential customer permanently residing in an individually metered dwelling unit when that customer establishes that discontinuance of service will result in some person residing at that residence becoming seriously ill or more seriously ill if service is discontinued. Each time a customer seeks to avoid termination of service under this rule, the customer must have the attending physician (for purposes of this rule, the term "physician" shall mean any public health official, including, but not limited to, medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, and any other similar public health official) call or contact the Cooperative within 16 days of issuance of the bill. A written statement must be received by the Cooperative from the physician within 26 days of the issuance of the utility bill. The prohibition against service termination provided by this rule shall last 63 days from the issuance of the utility bill or such lesser period as may be agreed upon by the Cooperative and the customer or physician. The customer who makes such request shall enter into a deferred payment plan.

H. DISCONNECTION TO ENERGY ASSISTANCE GRANTEEES

The Cooperative may not terminate service to a delinquent residential customer for a billing period in which the customer has applied for and been granted energy assistance funds if any agency for administration of these funds has notified the Cooperative, prior to the date of disconnection, of approval of an award sufficient to cover the bill, or a portion of the bill so that the customer can successfully enter into deferred payment plan for the balance of the bill.

I. DISCONNECTION DURING EXTREME WEATHER

On a day when the previous day's highest temperature did not exceed 32 degrees F, and the temperature is predicted to remain at that level for the next 24 hours, according to the nearest National Weather Service (NWS) reports, or in zones where an excessive heat alert is in effect as determined by the NWS and reported by the National Oceanic and Atmospheric Administration (NOAA), the Cooperative will not disconnect a customer until the Cooperative ascertains that no life-threatening condition exists in the customer's household, or would exist, because of disconnection during severe weather conditions.

J. RESOLUTION OF DISPUTES

Any customer or applicant for service requesting the opportunity to dispute any action or determination under the customer service rules, shall be given an opportunity for a supervisory review by the Cooperative. If the Cooperative is unable to provide a supervisory review immediately following the customer's request for such review, arrangements for the review shall be made for the earliest possible date. Service shall not be disconnected pending completion of the review. If the customer chooses not to participate in such review or to make arrangements for such review to take place within five days after requesting it, the Cooperative may disconnect service, providing notice has been issued under standard disconnect procedures. Any customer who is dissatisfied with the review by the Cooperative must be informed of their right to file a complaint and/or request a hearing before the appropriate municipal regulatory body. The results of the supervisory review must be provided in writing to the customer within 10 days of the review, if requested.

K. DISCONNECTION OF MASTER-METERED APARTMENTS

When a bill for electric service is delinquent for a master metered apartment complex (defined as a submetered or nonsubmetered building in which a single meter serves five or more residential dwelling units), the following shall apply:

- (1) The Cooperative shall send a notice to the customer as required in subsection (a) of this section. At the time such notice is issued, the Cooperative shall also inform the customer that notice of possible disconnection will be provided to the tenants of the apartment complex in six days if payment is not rendered before that time.
- (2) At least six days after providing notice to the customer and at least four days prior to disconnect, the Cooperative shall post a minimum of five notices in conspicuous areas in the corridors or other public places of the apartment complex. Language in the notice shall be prominently displayed and shall read:

Notice to residents of (name and address of apartment complex) electric service to this apartment complex is scheduled for disconnection on (date), because (reason for disconnection).

L. DISCONNECTION FOR NON-PAYMENT OF ELECTRIC SERVICE CHARGES FOR FAMILIES WITH MILITARY PERSONNEL SERVING IN A COMBAT OR WAR ZONE AND FOR CERTAIN MEMBERS OF THE RESERVE COMPONENT

The Cooperative will not disconnect a customer's residential electric service for the customer's failure to pay for such service, if the customer, a spouse, or the head of the household is serving military duty in a combat or war zone, as designated by the federal government, or is a member of the reserve component who is serving military duty that is directly related to such hostilities, subject to the following provisions of this subsection:

- (1) The Cooperative will verify with the customer or his or her family member that the customer, a spouse, or the head of the household is serving military duty in such a combat or war zone, or is a member of the reserve component that is serving military duty that is directly related to such hostilities.
- (2) The Cooperative will offer a deferred payment plan under this subsection to any residential customer who expresses an inability to pay for electric service because of the service of the customer, a spouse, or the head of the household on military duty in such a combat or war zone or as a member of the reserve component on military duty that is directly related to such hostilities. Upon the cessation of hostilities or the return of the person serving military duty, whichever occurs later, and upon request by a customer, the Cooperative will offer subsequent renegotiation of a deferred payment plan agreement under reasonable terms and conditions for the outstanding balance owed for electric service charges. Such renegotiation shall include a deferred payment plan under this section with terms extending up to 12 months for the unpaid balance.
- (3) A deferred payment plan offered by the Cooperative under this subsection, when reduced to writing, will state, immediately preceding the space provided for a customer's signature and in boldface print at least two sizes larger than any other used thereon, that:
 "If you are not satisfied with this contract, or if agreement was made by telephone and you feel this does not reflect your understanding of that agreement, contact the Cooperative immediately and do not sign this contract. If you do not contact the Cooperative, or if you sign this agreement, you give up your right to dispute the amount due under the agreement except for the Cooperative's failure or refusal to comply with the terms of this agreement."
- (4) A deferred payment plan under this subsection must not refuse a customer participation in such a program on the basis of race, color, creed, sex, or marital status.
- (5) A deferred payment plan offered under this subsection may be made by visiting the Cooperative's business office or contacting the Cooperative by telephone. If the customer visits the Cooperative's business office, the Cooperative may ask the customer to sign the deferred payment plan. The Cooperative will provide the customer with a copy of the signed plan. If the agreement is made over the telephone, the Cooperative will send a copy of the plan to the customer.
- (6) Interest or penalties shall not be assessed under any deferred payment plan authorized in the subsection.

VI. SERVICE AND DISPUTED BILLS

If you disagree with the Cooperative regarding any aspect of the Cooperative's service you may request a supervisory review. If you make such a request, you have five (5) days to participate in the review before the Cooperative may terminate service if the dispute is one in which the issues may result in termination, provided that the notice has been given under standard disconnection procedures.

- (1) In the event of a dispute between a customer and the Cooperative regarding any bill for electric service, the Cooperative shall forthwith make such investigation as shall be required by the particular case, and report the results thereof to the customer and, in the event the dispute is not resolved, shall inform the customer of the complaint procedures.
- (2) Notwithstanding any other section of these rules, the customer shall not be required to pay the disputed portion of the bill which exceeds the amount of that customer's average monthly usage at current rates pending the completion of the determination of the dispute, but in no event more than 60 days. For purposes of this rule only, the customer's average monthly usage at current rates shall be the average of the customer's gross electric service for the preceding 12-month period. Where no previous usage history exists, consumption for calculating the average monthly usage shall be estimated on the basis of usage levels of similar customers and under similar conditions.

VII. PAYMENT ARRANGEMENTS

Payment arrangements are any arrangements between the Cooperative and a customer in which an outstanding bill will be paid after the due date of the outstanding bill but before the due date of the next bill. If a customer does not fulfill the terms of such payment arrangements, the Cooperative shall have the right to disconnect service. If a disconnect notice was issued prior to the payment arrangements being made, such notice shall suffice as notice to the customer. If payment arrangements are made prior to issuance of a disconnect notice, such notice must be issued before the customer's service may be disconnected.

VIII. DEFERRED PAYMENT PLAN

A deferred payment plan is any arrangement or agreement between the Cooperative and a customer in which an outstanding bill will be paid in installments that extend beyond the due date of the next bill. The Cooperative shall offer, upon request, a deferred payment plan to any residential customer who has expressed an inability to pay all of his or her bill, if that customer has not been issued more than two disconnection notices at any time during the preceding 12 months. In all other cases, the Cooperative is encouraged to offer a deferred payment plan to residential customers.

- (1) Every deferred payment plan entered into due to the customer's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the customer pays current bills and a reasonable amount of the outstanding bill and agrees to pay the balance in reasonable installments until the bill is paid. A payment of not more than one third of the total deferred amount may be required as a reasonable amount under this paragraph.
- (2) For purposes of determining reasonableness under these rules, the following shall be considered:
 - (a) size of the delinquent account;
 - (b) customer's ability to pay;
 - (c) customer's payment history;
 - (d) time that the debt has been outstanding;
 - (e) reasons why debt has been outstanding; and
 - (f) any other relevant factors concerning the circumstances of the customer.
- (3) A deferred payment plan offered by the Cooperative, when reduced to writing, shall state, immediately preceding the space provided for the customer's signature and in boldface print at least two sizes larger than any other used thereon, that:
 "If you are not satisfied with this contract, or if agreement was made by telephone and you feel this contract does not reflect your understanding of that agreement, contact the Cooperative immediately and do not sign this contract. If you do not contact the Cooperative, or if you sign this agreement, you give up your right to dispute the amount due under the agreement except for the Cooperative's failure or refusal to comply with the terms of this agreement."

- (4) A deferred payment plan may include a 5.0% penalty for late payment but shall not include a finance charge.
- (5) If a customer has not fulfilled the terms of a deferred payment plan, the Cooperative shall have the right to disconnect service. However, the Cooperative may not disconnect service until a disconnect notice has been issued to the customer indicating the customer has not met the terms of the plan. Such notice and disconnection shall conform with the disconnection rules. Under such circumstances, the Cooperative may, but shall not be required to, offer subsequent negotiation of a deferred payment plan agreement prior to disconnection.
- (6) A deferred payment plan shall not refuse a customer participation in such a program on the basis of race, color, creed, or marital status.
- (7) A deferred payment plan may be made by visiting the Cooperative's business office or contacting the Cooperative by telephone. If the customer visits the Cooperative's business office, the Cooperative may ask the customer to sign the deferred payment plan. The Cooperative must provide the customer with a copy of the signed plan. If the agreement is made over the telephone, the Cooperative shall send a copy of the plan to the customer.
- (8) If the customer's economic or financial circumstances change substantially during the time of the deferred payment plan, the Cooperative may renegotiate the deferred payment plan with the customer, taking into account the changed economic and financial circumstances of the customer.
- (9) The Cooperative is not required to enter into a deferred payment plan with any customer who is lacking sufficient credit or a satisfactory history of payment for previous service when that customer has had service from the present Cooperative for not more than three months.

IX. OVERBILLING AND UNDERBILLING

If billing is found to differ from the Cooperative's lawful rates for the service being purchased by the customer, or if the Cooperative fails to bill the customer for such service, a billing adjustment shall be calculated. If the customer is due a refund, an adjustment shall be made for the entire period of the overcharges. If an overcharge is adjusted by the Cooperative within three billing cycles of the bill in error, interest shall not accrue. Unless otherwise provided in this section, if an overcharge is not adjusted by the Cooperative within three billing cycles of the bill in error, interest shall be applied to the amount of the overcharge at the rate set by the Cooperative's Board of Directors annually for a calendar year. That rate shall be based on an average of prime commercial paper rates for the previous 12-month period. Interest on overcharges that are not adjusted by the Cooperative within three billing cycles of the bill in error shall accrue from the date of payment unless the Cooperative chooses to provide interest to all of its affected customers from the date of the bill in error. All interest shall be compounded annually. Interest shall not apply to leveling plans or estimated billings that are authorized by statute or rule. Interest shall not apply to undercharged amounts unless such amounts are found to be the result of meter tampering, bypassing, or diversion by the customer. Interest on undercharged amounts shall also be compounded on an annual basis and shall accrue from the day the customer is found to have first tampered, bypassed or diverted. If the customer was undercharged, the Cooperative may backbill the customer for the amount which was underbilled. The backbilling is not to exceed six months unless the Cooperative can produce records to identify and justify the additional amount of backbilling or unless such undercharge is a result of meter tampering, bypassing, or diversion by the customer. However, the Cooperative may not disconnect service if the customer fails to pay charges arising from an underbilling more than six months prior to the date the Cooperative initially notified the customer of the amount of the undercharge and the total additional amount due unless such undercharge is a result of meter tampering, bypassing, or diversion by the customer. If the underbilling is \$25.00 or more, the Cooperative shall offer the customer a deferred payment plan option for the same length of time as that of the underbilling. In cases of meter tampering, bypassing, or diversion, the Cooperative may, but is not required to, offer a customer a deferred payment plan.

X. ESTIMATED BILLS

- (1) When there is good reason for doing so, the Cooperative may submit estimated bills provided that an actual meter reading is taken every three months. In months where the meter reader is unable to gain access to the premises to read the meter on regular meter reading trips, or in months where meters are not read, the Cooperative must provide the customer with a postcard and request the customer to read the meter and return the card to the Cooperative. If such reading is not received by the Cooperative in time for billing, the Cooperative may estimate meter reading and render bill accordingly.
- (2) If the Cooperative has a customer-read program in which customers read their own meters and report their usage monthly, and no meter reading is submitted by a customer, the Cooperative may estimate the customer's meter reading and render a bill accordingly. However, the Cooperative must read the meter if the customer does not submit readings for three consecutive months so that a corrected bill may be issued.

XI. SERVICE RECONNECTION

If your service is interrupted for any reason listed under section III of this Your Rights as a Customer, you may reestablish service when all outstanding and delinquent bills are paid and when a deposit or other evidence of payment guarantee is provided to the Cooperative.

XII. COOPERATIVE OFFICE & BUSINESS HOURS

Cooperative headquarters are located at 3800 West Highway 22 in Corsicana, Texas. The mailing address is P.O. Box 616, Corsicana, Texas 75151-0616. The telephone number is (903) 874-7411. Office hours are 8 a.m. - 5 p.m. weekdays, closed weekends and holidays. Power outages can be reported anytime by calling (903) 874-7411. Bills can be paid at the Cooperative office, by mail, or night deposit.

XIII. METER READING

For information regarding the proper method for reading your electric meter, see Meter Reading section of this pamphlet for full instructions.

XIV. APPLICANT AND CUSTOMER DEPOSIT

- (1) In addition to the membership fee, the Cooperative may require a residential applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the customer from complying with rules for prompt payment of bills. Credit history shall be applied equally for a reasonable period of time to a spouse or former spouse who shared the service. Credit history maintained by one must be applied equally to the other without modification and without additional qualifications not required of the other.

- (2) For purposes of this section, applicant is to be defined as a person who applied for service for the first time or reapplies at a new or existing location after discontinuance of service. Customer is defined as someone who is currently receiving service.
- (3) Subject to these rules, a residential applicant shall not be required to pay a deposit:
- (A) if the residential applicant has been a customer of any utility for the same kind of service within the last two years and is not delinquent in payment of any such utility service account, and during the last 12 consecutive months of service did not have more than one occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; applicants are encouraged to obtain a letter of credit history from their previous utility, and utilities are encouraged to provide such information with final bills;
 - (B) if the residential applicant demonstrates a satisfactory credit rating by appropriate means, including, but not limited to, the production of generally acceptable credit cards, letters of credit reference, the names of credit references which may be quickly and inexpensively contacted by the Cooperative, or ownership of substantial equity; or
 - (C) if the residential applicant furnishes in writing a satisfactory guarantee to secure payment of bills for the service required;
 - (i) unless otherwise agreed to by the guarantor, the guarantee shall be for the amount of deposit the Cooperative would normally seek on the applicant's account. The amount of guarantee shall be clearly indicated on any documents or letters of guarantee signed by the guarantor;
 - (ii) when the customer has paid bills for service for 12 consecutive residential billings without having service disconnected for nonpayment of bills and without having more than two occasions in which a bill was delinquent, and when the customer is not delinquent in the payment of current bills, the Cooperative shall void and return any documents or letters of guarantee placed with the Cooperative to the guarantor.
- (4) An initial deposit may not be required from residential customers unless the customer has more than one occasion during the last 12 consecutive months of service in which a bill for electric service was paid after becoming delinquent or if the customer's service was disconnected for nonpayment. A deposit required pursuant to this section shall not exceed an amount equivalent to one sixth of annual billings. Such deposit may be required to be made within 10 days after issuance of written termination notice and requested deposit. In lieu of initial deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months. The customer may furnish in writing a satisfactory guarantee to secure payment of bills in lieu of cash deposit.
- (5) At the time a deposit is required, the Cooperative shall provide applicants for, and customers of, commercial, industrial, or residential service written information about deposits separate from the information on deposits required. This information shall contain:
- (A) the circumstances under which the Cooperative may require a deposit or an additional deposit;
 - (B) how a deposit is calculated;
 - (C) the amount of interest paid on a deposit and how this interest is calculated; and
 - (D) the time frame and requirement for return of the deposit to the customer.
- (b) **COMMERCIAL AND INDUSTRIAL SERVICE**
- In the case of commercial or industrial service, if the credit of an applicant for service has not been established satisfactorily to the Cooperative, the applicant may be required to make a deposit.
- (c) **AMOUNT OF DEPOSIT AND INTEREST FOR PERMANENT RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL SERVICE AND EXEMPTION FROM DEPOSIT**
- (1) The required deposit shall not exceed an amount equivalent to one-sixth of the estimated annual billing.
 - (A) During the first 12 months of service, an additional deposit may be requested prior to the issuance of a bill;
 - (i) To require such deposit, the customer's actual usage must be three times estimated usage (or three times average usage of most recent three bills), and the customer's current usage must exceed \$150, and the customer's current usage must exceed 150% of the security held;
 - (ii) The request for such additional deposit must be issued in writing and must indicate that the customer may elect to pay the current usage in lieu of the additional deposit;
 - (iii) The Cooperative may disconnect service if the additional deposit or the current usage payment is not made within 10 days of request provided a written disconnect notice has been issued to the customer. Such disconnect notice may be issued concurrently with the written request for the additional deposit or current usage payment.
 - (B) If actual billings of a commercial customer are at least twice the amount of the estimated billings, and a suspension notice has been issued on a bill within the previous 12-month period, a new deposit may be required to be made within 15 days after issuance of written notice of termination and requested additional deposit. If actual billings of a residential customer are at least twice the amount of the estimated billings after two billing periods, and a suspension notice has been issued on a bill within the previous 12-month period, a new deposit may be required to be made within 15 days after issuance of written notice of termination and requested additional deposit. In lieu of additional deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.
 - (2) All applicants for permanent residential service who are 65 years of age or older will be considered as having established credit if such applicant does not have an outstanding account balance within the Cooperative or another utility for the same utility service which accrued within the last two years. No cash deposit shall be required of such applicant under these conditions.
 - (3) Required deposits to be made by customers shall pay a minimum interest on such deposits annually of at least six percent. If refund of deposit is made within 30 days of receipt of deposit, no interest payment is required. If the Cooperative retains the deposit more than 30 days, payment of interest shall be made retroactive to the date of deposit.
 - (A) Payment of the interest to the customer shall be annually if requested by the customer, or at the time the deposit is returned or credited to the customer's account.
 - (B) The deposit shall cease to draw interest on the date it is returned or credited to the customer's account.
 - (4) The Cooperative shall not charge an additional deposit for residential electric service if the customer, a spouse, or the head of the household is serving military duty in a combat or war zone, as designated by the Federal government, or is a member of the reserve component who is serving military duty that is directly related to such hostilities, or if the customer is a party to a deferred payment plan offered by the Cooperative incident to such military duty.

(d) DEPOSITS FOR TEMPORARY OR SEASONAL SERVICE AND FOR WEEKEND RESIDENCES

The Cooperative may require a deposit sufficient to reasonably protect it against the assumed risk for temporary or seasonal service, provided such policy is applied in a uniform and nondiscriminatory manner. The Cooperative may require a deposit for weekend residences sufficient to reasonably protect it against the assumed risk, provided such policy is applied in a uniform and nondiscriminatory manner. These deposits shall be returned according to guidelines set in subsection (h) of this section.

(e) COMPLAINT BY APPLICANT OR CUSTOMER

The Cooperative shall direct its personnel engaged in initial contact with an applicant or customer for service, seeking to establish or reestablish credit under the provisions of these sections, to inform the customer, if dissatisfaction is expressed with the Cooperative's decision, of the customer's right to file a complaint.

(f) REESTABLISHMENT OF CREDIT

Every applicant who previously has been a customer of the Cooperative and whose service has been discontinued for non-payment of bills or meter tampering or bypassing of meter shall be required, before service is rendered, to pay all amounts due the Cooperative or execute a deferred payment agreement, if offered, and reestablished credit as provided in subsection (a) of this section. The burden shall be on the Cooperative to prove the amount of Cooperative service received but not paid for and the reasonableness of any charges for such unpaid service, as well as all other elements of any bill required to be paid as a condition of service restoration.

(g) RECORDS OF DEPOSITS

(1) The Cooperative shall keep records to show:

- (A) the name and address of each depositor;
- (B) the amount and date of the deposit; and
- (C) each transaction concerning the deposit.

(2) The Cooperative shall issue a receipt of deposit to each applicant from whom a deposit is received and shall provide means whereby a depositor may establish claim if the receipt is lost.

(3) A record of each unclaimed deposit must be maintained for at least four years, during which time the Cooperative shall make a reasonable effort to return the deposit.

(h) REFUND OF DEPOSIT

(1) If service is not connected, or after disconnection of service, the Cooperative shall promptly and automatically refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. A transfer of service from one premise to another within the service area of the Cooperative shall not be deemed a disconnection within the meaning of these sections, and no additional deposit may be demanded unless permitted by these sections.

(2) When the customer has paid bills for service for 12 consecutive residential billings or for 24 consecutive commercial or industrial billings without having service disconnected for nonpayment of bill and without having more than two occasions in which a bill was delinquent, and when the customer is not delinquent in the payment of the current bills, the Cooperative shall promptly and automatically refund the deposit plus accrued interest to the customer in the form of cash or credit to a customer's bill, or void the guarantee. If the customer does not meet these refund criteria, the deposit and interest may be retained in accordance with subsection (c) of this section.

XV. FINANCIAL ASSISTANCE

The following agencies may be able to assist you if you have trouble making your payment for electric service to the Cooperative:

NAVARRO - ELLIS COUNTIES:

Community Services, Inc.
200 North 7th
Corsicana, Texas 75110
(903) 872-2401

HILL - LIMESTONE - FREESTONE COUNTIES:

Economic Opportunity Advantage Corp.
500 Franklin
Waco, Texas 76707
(254) 754-0046

XVI. NONDISCRIMINATION

Your Cooperative provides electric service without discrimination as to member's race, nationality, color, religion, sex, or marital status.

Your Cooperative applies credit history equally for a reasonable period of time to a spouse, or former spouse, who has shared service, without additional qualifications not required of the other.