

BLUE RIDGE MOUNTAIN ELECTRIC MEMBERSHIP CORPORATION

SCHEDULE OF RULES AND REGULATIONS

1. APPLICATION FOR SERVICE – Each prospective Customer desiring electric service shall meet Distributor’s requirements for application for service and may be required to sign Distributor’s standard form of application for service or contract before service is supplied by Distributor.

2. DEPOSITS -

In no event will the deposit required exceed twice the highest estimated average monthly bill for the rate classification. Upon written request by the Customer or at the discretion of BRMEMC, the deposit requirement may be re-evaluated. After the deposit is paid in full, interest will accrue on cash deposits greater than one month’s average bill and held longer than twelve months at the interest rate earned by the BRMEMC’s primary bank account. The deposit balance plus any accrued interest will be credited to the customer’s unpaid bills upon termination of electric service and the remaining balance returned to the Customer.

RESIDENTIAL

Whether a deposit will be required prior to the establishment of residential electric service is based on a customer’s credit score. The deposit amount will be based on the customer’s credit rating as follows:

Residential Deposit	FICO Credit Scores	Rating
\$0	700-850	Green
\$150	660-699	Yellow
\$300	Less than 660	Red

Customers with residential hardships, as determined by BRMEMC, may negotiate installment payments, but the deposit must be paid in full within 90 days from the date electric service commences. A residential deposit will be refunded, upon written request by the Customer, after 24 consecutive months in which all payments were made on or before the due date and no payments were rejected or declined by the customer’s financial institution. Customers that have enrolled in the pre-pay program will not be required to provide a deposit. [See pre-pay policy for additional information.]

GENERAL POWER

For general power customers, a deposit amount equal to 2 times the average monthly bill at the location for the preceding 12 months, rounded off to the nearest ten dollars,

will be required in advance of connecting service. For a general power customer at a new location, a deposit amount approximately equal to 2 times the estimated monthly bill based on other locations of similar size and operations as determined by BRMEMC. A suitable guarantee, letter of credit or other security deemed acceptable by BRMEMC may be accepted in lieu of a cash deposit. Upon written request by the Customer after 60 consecutive months in which all payments were made on or before the due date and no payments were rejected or declined by the customer's financial institution, a general power deposit will be reduced to an amount equal to a one month bill, averaged over the preceding 12 months, rounded off to the nearest ten dollars.

3. **POINT OF DELIVERY** – The point of delivery is the point, as designated by the Distributor, on Customer's premises where electrical current is to be delivered to the building or premises. All wiring and equipment beyond this point of delivery shall be provided and maintained by Customer at no expense to BRMEMC.
4. **CUSTOMER'S WIRING – STANDARDS** – All wiring of Customer must conform to BRMEMC's requirements and accepted modern standards, as exemplified by the requirements of the National Electrical Safety Code and the National Electrical Code.
5. **INSPECTIONS** – BRMEMC shall have the right, but shall not be obligated, to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with BRMEMC standards; but such inspection or failure to inspect or reject shall not render BRMEMC liable or responsible for any loss or damage resulting from defects in the installation, wiring, or appliances, or from violation of BRMEMC's rules, or from accidents which may occur upon Customer's premises.
6. **UNDERGROUND SERVICE LINES** – Customers desiring underground service lines from BRMEMC's overhead system must bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by BRMEMC on request.
7. **CUSTOMERS'S RESPONSIBILITY FOR BRMEMC'S PROPERTY** – All meters, services connections, and other equipment furnished by BRMEMC shall be, and remain, the property of the BRMEMC. Customer shall provide a space for and exercise proper care to protect the property of BRMEMC on its premises, and, in the event of loss or damage to BRMEMC's property arising from neglect of Customer to care for same, the cost of the necessary repairs or replacements shall be paid by Customer.
8. **RIGHT OF ACCESS** – BRMEMC's identified employees shall have access to Customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, or exchanging any or all equipment belonging to BRMEMC.
9. **BILLING** – Bills will be rendered monthly and shall be paid within 15 days from the date on the bill. Bills that are paid after the due date on the billing statement provided shall be subject to an additional charge of 5%. Failure to receive a bill will not release a customer from its payment obligations. Should bills not be paid by the due date specified on the bill, service may be discontinued as set out in the "Termination of

Service” section herein. Should the due date fall on a weekend or holiday, the next business day following the due date will be held as a day of grace for payment to be received.

10. TERMINATION OF SERVICE - BRMEMC may refuse to connect or may discontinue electrical service for the violation of any of the Schedule of Rules and Regulations or of the Schedule of Rates and Charges. BRMEMC also may discontinue electrical service to the Customer for the theft of services or the appearance of theft devices on the customer’s premise, for safety reasons or to be compliant with any state, city or county regulations that require disconnection for safety reasons. Any and all electrical services will be discontinued to customers with past due accounts except as provided in this rule. Payment in full (including late fee charges) will be required before service is restored. An additional deposit amount may also be required. The termination of service by BRMEMC for any reason stated in this rule does not release the customer from the obligation for any amounts due to BRMEMC, including the payment of minimum bills as specified in contracts.

If payment is not received by the due date on the bill, BRMEMC may discontinue service at any time after providing a separate written notice by mail to the customer informing the customer of the electric service disconnection and the available rights and remedies to dispute the bill with BRMEMC, including the Customer Service Hotline – 1-706-379-3121. No further notice will be provided before electrical service is disconnected.

BRMEMC evaluates weather conditions daily at www.weather.com. In the event the forecasted temperature is expected to exceed 98 degrees Fahrenheit (F) or is not expected to exceed 32 degrees (F) on that day at the headquarters location (Young Harris, GA), BRMEMC will postpone the disconnection of service of residential customers scheduled for such disconnection due to non-payment. Where disconnection is postponed due to an extreme weather condition, the postponement will not extend beyond the extreme weather condition or beyond the customer’s next due day, whichever date comes first.

Upon BRMEMC’s approval of BRMEMC’s medical necessity form, disconnection of service will be postponed for 30 days from the original scheduled disconnection date to allow customer time to make payment or alternative shelter arrangements. The medical necessity form must be completed by a licensed medical doctor or nurse practitioner certifying that he/she is a physician or nurse practitioner currently treating a resident of the location to which the electric service is being provided and that the disconnection of electric service would create a life-threatening medical situation for the customer or other permanent resident of the customer’s household. It is the responsibility of the customer to ensure that the form has been approved by BRMEMC. A life threatening medical condition does not relieve a customer of the obligation to pay for electric service, including any late fees incurred or other applicable charges. BRMEMC will only

grant this postponement for termination 2 times in a twelve month period. If full payment of the past due amount, including all late fees, is not received by the end of the 30 day postponement period, electric service will be disconnected without further notice.

- 11. CONNECTION, RECONNECTION, AND DISCONNECTION CHARGES** – BRMEMC may establish and collect standard charges to cover the reasonable average cost, including administration, of connecting or reconnecting service, or disconnecting service as provided above. Higher charges may be established and collected when connections and reconnections are performed after normal office hours, or when special circumstances warrant.
- 12. TERMINATION OF CONTRACT BY CUSTOMER** – Customers who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days' written notice to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve Customer from any minimum or guaranteed payment under any contract or rate.
- 13. SERVICE CHARGES FOR TEMPORARY SERVICE** – Customers requiring electric service on a temporary basis may be required by BRMEMC to pay all costs for connection and disconnection incidental to the supplying and removing of service. This rule applies to circuses, carnivals, fairs, temporary construction, and the like.
- 14. INTERRUPTION OF SERVICE** – BRMEMC will use reasonable diligence in supplying current, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from, interruptions in service, excessive or inadequate voltage, single-phasing, or otherwise unsatisfactory service, whether or not caused by negligence.
- 15. SHORTAGE OF ELECTRICITY** – In the event of an emergency or other condition causing a shortage in the amount of electricity for BRMEMC to meet the demand on its system, BRMEMC may, by an allocation method deemed equitable by BRMEMC, fix the amount of electricity to be made available for use by Customer and/or may otherwise restrict the time during which Customer may make use of electricity and the uses which Customer may make of electricity. If such actions become necessary, Customer may request a variance because of unusual circumstances including matters adversely affecting public health, safety and welfare. If Customer fails to comply with such allocation or restriction, BRMEMC may take such remedial actions as it deems appropriate under the circumstances including temporarily disconnecting electric service and charging additional amounts because of the excess use of electricity. The provisions of the Section entitled Interruption of Service of this Schedule of Rules and Regulations are applicable to any such allocation or restriction.
- 16. VOLTAGE FLUCTUATIONS CAUSED BY CUSTOMER** – Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to BRMEMC's system.

BRMEMC may require Customer, at their own expense, to install suitable apparatus which will reasonably limit such fluctuations.

- 17. ADDITIONAL LOAD** – The service connection, transformers, meters, and equipment supplied by BRMEMC for each Customer have definite capacity, and no addition to the equipment of load connected thereto will be allowed except by consent of BRMEMC. Failure to give notice of additions or changes in load, and to obtain BRMEMC' consent for same, shall render Customer liable for any damage to any of BRMEMC's lines or equipment caused by the additional or changed installation.
- 18. STANDBY AND RESALE SERVICE** – All purchased electric service (other than emergency or standby service) used on the premises of Customer shall be supplied exclusively by BRMEMC, and Customer shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.
- 19. NOTICE OF TROUBLE** – Customer shall notify BRMEMC immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed in writing.
- 20. NON-STANDARD SERVICE** – Customer shall pay the cost of any special installation necessary to meet his peculiar requirements for service at other than standard voltages, or for the supply of closer voltage regulation than required by standard practice.
- 21. METER TESTS** – BRMEMC will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy. BRMEMC will make additional tests or inspections of its meters at the request of the Customer. If tests made at Customer's request show that the meter is accurate within two percent (2%), slow or fast, no adjustment will be made in Customer's bill, and BRMEMC's standard testing charge will be paid by Customer. In case the test shows meter to be in excess of two percent (2%) fast or slow, an adjustment shall be made in Customer's bill over a period of not over thirty (30) days prior to date of such test, and cost of making test shall be borne by BRMEMC.
- 22. RELOCATION OF OUTDOOR LIGHTING FACILITIES** – BRMEMC shall, at the request of Customer, relocate or change existing BRMEMC owned equipment. Customer shall reimburse BRMEMC for such changes at actual cost including appropriate overheads.
- 23. BILLING ADJUSTED TO STANDARD PERIODS** – The demand charges and the blocks in the energy charges set forth in the rate schedules are based on billing periods of approximately one month. In the case of the first billing of new accounts (temporary service, cotton gins, and other seasonal customers excepted) and final billings of all accounts (temporary service excepted) where the period covered by the billing involves fractions of a month, the demand charges and the blocks of the energy charge will be adjusted to a basis proportionate with the period of time during which service is extended.
- 24. HOME ENERGY CONSERVATION SURVEYS** – All customers of BRMEMC receiving service under the residential rate schedule are eligible for a free energy conservation survey of

their home. As part of such survey information covering efficient utilization of electric energy will be made available, including a wide variety of specific recommendations as to the materials and equipment that would provide effective weatherization and thereby yield the greatest energy savings for the customer. Customers will also be furnished a list of private contractors in their area which install various types of energy-saving materials and equipment, and instructional material concerning the self-installation of such materials and equipment.

25. HOME INSULATION PROGRAM – Customers of BRMEMC receiving service under the residential rate schedule and who heat or cool their homes with electricity or who are converting so as to heat or cool their homes with electricity, are eligible to participate in the home insulation program being conducted by BRMEMC and TVA. If the home energy conservation survey for such customers indicates home weatherization measures such as storm windows, insulated doors, caulking and weatherstripping of doors and windows, and the installation of attic insulation are cost effective, BRMEMC will, as part of providing electric service to residential customers, arrange to make available funds provided by TVA to accomplish said measures at customers' dwellings; provided, however, that such financing will not be available for customers who only cool with electricity or who are converting so as to cool with electricity, for storm windows and floor insulation. Participants will be required to enter into a standard form agreement under which the funds furnished to accomplish said measures will be repaid to BRMEMC in a lump sum payment, or by monthly payments, at no additional charge, extending for a period of up to seven years. The monthly repayment amount due for this service will be included as part of the electric bill rendered by BRMEMC, to which bills the provisions of the section entitled "Billing" of this Schedule of Rules and Regulations are applicable; provided, however, that said monthly amount shall not be subject to additional charges for past-due payment.

26. INFORMATION TO CONSUMERS –

Customer's Energy Consumption -

Upon request by the customer, BRMEMC will make available a customer's energy consumption data for the prior 12 months' period.

Scope -

The Schedule of Rules and Regulations is a part of all contracts for receiving electric service from BRMEMC and applies to all service received from BRMEMC, whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this Schedule of Rules and Regulations together with a copy of the BRMEMC Schedule of Rates and Charges, which was approved in a BRMEMC Board of Directors' meeting, shall be kept open to inspection at the offices of BRMEMC located at 875 Main Street East, Young Harris, GA 30582 or found on our website - [www. BRMEMC.com](http://www.BRMEMC.com). Furthermore, BRMEMC will provide information regarding rates, service practice policies, and

guidelines to customers via the website - [www. BRMEMC.com](http://www.BRMEMC.com) and information including brochures and print media may also be available in our offices. A customer will also receive such information upon application for electrical service, and at any time upon request. All retail rate actions initiated by BRMEMC will be communicated to the public via the website - www. BRMEMC.com and through advertisements in the local newspapers.

- 27. REVISIONS** – These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.
- 28. CONFLICT** – In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.