



Service Policies

Includes Schedule of Charges
December 2020



SALEM ELECTRIC
AN ELECTRIC COOPERATIVE

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Introduction

Purpose:

The following service policies are intended to provide a helpful guide for Salem Electric members, the electrical and building trades, and the employees and representatives of Salem Electric. The achievement and maintenance of efficient and safe electrical service, and the assurance that all members of Salem Electric receive uniform and equitable treatment is of prime consideration.

Scope:

These service policies constitute rules and regulations pursuant to Salem Electric's Bylaws, are binding upon all members of Salem Electric, and are a part of all oral and written contracts for furnishing and receiving electric service. Copies of these service policies shall be available at all times to members of the Cooperative upon request.

Revision:

These service policies may be revised, amended, supplemented, or otherwise changed at any time. These service policies cancel and supersede all previous rules and regulations or service policies.

Conflict:

In case of any conflict between any provisions of any rate schedule and these service policies, the provision of the rate schedule shall apply.

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Additional Load

Members who intend to add additional load need to notify Salem Electric sufficiently in advance so that Salem Electric can determine if an upgrade of facilities is required. If the member fails to notify Salem Electric and, as a result, Salem Electric's equipment is damaged, the member may be liable for the cost of the damage.

Alternate Service

Salem Electric designs and operates its distribution system to provide a high level of service reliability for all of its members. Salem Electric's standard design is a loop feed distribution system. The member is responsible for a line extension charge based on the current service policy.

Exceptions can be made if a member wants a level of service either above or below the Salem Electric standard design. In order for a member to receive a level of service below the Salem Electric standard, they must sign a hold harmless agreement accepting a reduced level of service. This will not affect the way Salem Electric responds to service problems that might occur; however, the member may experience extended outages due to system operations and periodic maintenance of the system; some of which could have been avoided or minimized had the Salem Electric standard design been observed.

If a member requests a level of service above the Salem Electric standard design and the design requires additional substation and/or transmission facilities for the member's exclusive use, they are required to pay the current installed cost of these facilities (labor and materials).

Salem Electric will not guarantee uninterrupted service and will not be liable for injury, loss, or damage caused by any failure to supply electricity or by any interruption or reversal of the supply of electricity if due to any cause beyond the reasonable control of the Cooperative.

Members should immediately notify the Cooperative of any defect in service or of any trouble of irregularity in the electric supply

Application for Service

Applicants for electric service are required to complete a membership application and may be required to supply Salem Electric with information relating to service requirements, the manner in which power will be utilized, and credit references. Large industrial or commercial accounts may require contracts that contain such provisions and stipulations as may be necessary or desirable to protect the interests of both Salem Electric and the member.

The application for service is a request for service only and does not, in itself, constitute a contract for service until Salem Electric actually delivers, or is ready to deliver, electric service to the member. In the absence of a signed application for service, the delivery of service by Salem Electric, and its acceptance by the member, shall be deemed to constitute an agreement, and acceptance of Salem Electric's rules and regulations.

A husband and wife or any two natural persons otherwise joined in a legally recognized marital relationship may apply for joint membership and will share equally in the rights and responsibilities of the membership.

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Attachments to Salem Electric Property

Permission must be obtained from Salem Electric before any equipment or material of any description is attached to any property of Salem Electric.

Billing

Salem Electric reserves the right to modify billing schedules as needed. If, for any reason, a meter reading cannot be obtained for any particular period, Salem Electric may estimate the reading and render a bill based on that estimate.

If a billing error occurs because of a metering error, the member's billing will be adjusted for a maximum of 12 months to reflect the corrections. If a billing error occurs due to circumstances outside of Salem Electric's control, the member's billing will be adjusted for a maximum 24 months to reflect the corrections.

Bills become delinquent 15 days from date of billing. A service charge may be imposed on delinquent accounts. Closing bills are due and payable on presentation.

Cancellation of Contract by Member

Members may cancel a long-term contract by:

- 1) continuing to pay the minimum charge specified in the contract until contract expiration or
- 2) pay to Salem Electric, at the time of discontinuance of service, a prorated portion of the installation and removal cost of any special facilities installed to provide such service.

Such prorated portion would be computed as follows (if five-year contract):

If disconnected during the first 12 months of service, the member shall pay the entire installation and removal cost of the special service facilities installed. If disconnected after 12 months, but before completion of 60 months of service, the member shall pay one forty eighth of the total installation and removal cost of such special facilities for each month of the unexpired portion of the contract.

Cogeneration

- 1) Salem Electric will evaluate all proposals from cogeneration or small power producers. The guiding principle when evaluating such proposals shall be that Salem Electric must be in the same financial position after such purchases as it would have been had it not purchased from the qualifying facility of the co-generator or small power producer.
- 2) Cogeneration and small power producers are advised that the following factors bear on the purchase of power by Salem Electric from them:
 - a) Salem Electric is not a public utility. Salem Electric is a member-owned cooperative corporation that serves only its members and does not serve the general public.
 - b) Salem Electric's service territory has been allocated by the Oregon Public Utility Commission and Salem Electric is prevented by law from serving outside its allocated service territory.

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- c) Salem Electric is a metered-requirements member of the Bonneville Power Administration (BPA). As such, Salem Electric purchases all or nearly all of its power from BPA. Salem Electric's relationship with BPA is governed by federal law, regulations, and rules; the terms and conditions of various contracts with BPA, including, but not limited to, Salem Electric's BPA power sales contract. Salem Electric must comply with all of these laws, regulations, rules, and contract provisions; and some may have a direct bearing on Salem Electric's ability to purchase power from others, the consequences of power purchases from others, and the timing of power purchases from others.
 - d) One of the consequences of Salem Electric's relationship with BPA is that Salem Electric as a metered-requirements preference customer receives numerous economic benefits from BPA. Salem Electric's relationship with BPA is economically advantageous to Salem Electric because BPA's metered-requirements customers are entitled to certain preferences in their purchase of power from BPA; they may purchase power at more favorable prices; and they are entitled to the benefit of various programs offered by BPA which may not be available at all or on a different basis to BPA's other customers.
- 3) Procedure for presentation of proposals for sale of power to Salem Electric by co-generators and small power producers:
- a) All proposals for sale of power must be in writing and signed by the proposed seller. The proposal must describe in detail the kind and amount of power proposed to be sold, how it is generated, how it is proposed to be delivered to Salem Electric (including the proposed interconnection and metering), the term of the proposed sale, and the price for the power.
 - b) Salem Electric will require certain provisions in the power purchase contract for its production. These provisions include:
 - (1) That all expenses of any kind in delivering power to Salem Electric be paid by the power seller.
 - (2) That Salem Electric be indemnified and held harmless from any liability of any kind in connection with the generation and delivery of the power to Salem Electric's system.
 - (3) That Salem Electric own, maintain, read the meter, and pay for the power according to Salem Electric's usual billing practices.
 - (4) That the transmission line for delivery of the power to Salem Electric's system, the interconnection and the metering be designed and engineered to Salem Electric's standards and specifications and be subject to approval by Salem Electric.
 - (5) That the power be generated and delivered in accordance with the best industry practices for this type of power generation and delivery.

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- (6) That the power purchase be subject to the requirements of Salem Electric's relationship with BPA and applicable federal, state and local laws and regulations.
 - (7) That in the event the power purchase changes Salem Electric's relationship or status with BPA to Salem Electric's economic disadvantage, then Salem Electric shall be reimbursed for any economic loss caused by the change, or if reimbursement is not practicable, then Salem Electric may at its election terminate the power purchase agreement.
- c) SE may purchase power from qualifying Cogeneration and Small Power Production Facilities at SE's avoided cost. If the resource would qualify as a Net Metering Facility, except for its nameplate rating, and the resource does not offset native load, SE may purchase power at SE's avoided cost as described in Salem Electric's net metering rules. At such time as SE purchases Tier 2 power, SE's avoided cost will be recalculated.
- 4) In order for Salem Electric to be in the same financial position it would have been in had it not purchased power from the co-generator or small power producer, Salem Electric must require that all expenses of consummating the transaction be paid by the co-generator or small power producer. Toward this end, Salem Electric requires an initial non-refundable deposit of Twenty-Five Thousand and no/100's Dollars (\$25,000) to be submitted by the power seller with its written proposal. This deposit will be used by Salem Electric to pay the reasonable and necessary expenses incurred by Salem Electric in completing the power purchase, including but not limited to Salem Electric staff time spent on the matter, the cost of consultants reasonably necessary for evaluation, design or engineering of the project, legal expenses and the like. Additional deposits may be required depending on the complexity of the transaction. If additional deposits are required, they must be paid prior to any further processing of the proposal.

Member Wiring & Equipment

The member shall install, own, and maintain all wiring and equipment beyond the point of delivery, except for meters and special facilities installed or furnished by Salem Electric. The member's wiring shall conform to all requirements of legally constituted authorities having jurisdiction; including city and county codes or ordinances, service requirements of Salem Electric, the Oregon State Electric Code and the National Electrical Code.

The member shall furnish and install a UL approved meter socket(s) (as specified by Salem Electric) for the installation of Salem Electric's metering equipment. If instrument transformers are required, the member shall furnish and install mounting brackets, a suitable enclosure, and necessary conduit, as specified by Salem Electric. It shall be the member's responsibility to provide suitable protective devices such as: fuses, circuit breakers, and relays to adequately protect the member's equipment.

For the protection of three phase motors, the installation of adequate thermal over current devices and, in addition, dual element delay fuses or circuit breakers of suitable rating are considered necessary. Salem Electric's service policy permits delivery voltage variations of plus or minus 5%. If less than 5% tolerance is required or if occasional line disturbances cannot be

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tolerated, it is the member's responsibility to provide line filtering or uninterruptible power supply (UPS) equipment. Salem Electric reserves the right to refuse or discontinue service to member's equipment or wiring where such equipment or wiring is in hazardous condition or is not in conformity with lawful codes and local regulations. Salem Electric shall not be held liable for any loss or damage to persons or property resulting from defects beyond the point of delivery, or in the member's installation of equipment, or the delivery of energy thereto.

Member's Power Outage

If the member's service fails, the member shall attempt to determine if fuses have been blown, a breaker has been tripped, or if member's equipment is at fault before calling Salem Electric. If a service technician is sent out at the member's request, and it is determined that the member's equipment is at fault, a charge may be applied. (See Schedule of Charges).

Damage to Salem Electric Property

The member shall take all reasonable and proper precautions to prevent damage to Salem Electric's property and facilities on the member's premises. In the event that the property of Salem Electric is damaged, Salem Electric may collect, from the responsible party, the cost of repairs or replacement. (See Schedule of Charges).

Delivery Phase & Voltage

All service shall be alternating current, 60 hertz per second. Nominal service voltages are 120/240 single phase, 120/208 wye, 277/480 wye three phase. Service may also be delivered at other voltages when applicable and where available, or in instances when the size of the load justifies primary voltage delivery or separate transformer installation.

Three phase service is not normally available in residential, non-commercial, or non-industrial zoned areas. The provisions of Section 30 "Extension Policy" shall prevail when such service is requested.

New service in the central business district, in which Salem Electric facilities are required by City of Salem ordinance to be converted to underground, shall be 120/208 wye, except by special contract.

The member must contact Salem Electric before proceeding with the wiring or the installation of equipment in order to determine the availability of the necessary phase and voltage for that equipment.

Salem Electric will endeavor to maintain its delivery voltages and frequencies within reasonable limits; but cannot guarantee same.

Deposits

Salem Electric may require a deposit as a guarantee. A minimum security deposit of \$150 is required for residential accounts. Deposits are equal to two times the highest monthly bill, or if no billing history is available, it may be based upon an approximation of the size of the dwelling and the heating source. Deposits plus interest will be credited to the account upon termination of service and the net balance, if any, refunded. Deposits may also be refunded or credited to the account at any time at the discretion of Salem Electric. Service will be terminated if the deposit is not paid; unless arrangements have been made for future payment.

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Member's options regarding payment of a deposit:

- 1) Pay the required amount on or before the due date.
- 2) Provide evidence of prompt payment with a letter of credit covering the 12 months immediately prior to starting service with Salem Electric, from the member's previous electric utility. The deposit is waived if the payment record is satisfactory.

Bankruptcy - Notwithstanding previous payment history, members filing for bankruptcy may be charged a deposit. This deposit may be an amount approximately equal to two times the member's highest monthly bill during the preceding 12-month period. At the discretion of Salem Electric, the deposit may be refunded or credited to the account at any time. Service will be terminated if the deposit is not paid, unless arrangements have been made for future payment.

Extension Policy

Salem Electric will extend its lines to all permanent loads within Salem Electric's established service area as approved by the Oregon Public Utility Commission. Fees will be charged when Salem Electric is requested to extend primary conductor and when secondary service in excess of 400 amps of capacity per building (excluding multi-family residential buildings) is requested. (See Schedule of Charges). If the work on the line extension has not commenced within 120 days following the execution of a Line Extension Agreement, the Agreement shall be null and void.

When a member increases their service entrance capacity, credit for the return to stock of usable equipment will be based on the following criteria:

- 1) If the member has paid a transformation fee and the equipment being replaced is a common stock item of Salem Electric, the member will receive a credit equal to the amount of the original transformation fee that was paid.
- 2) If the member has not paid a transformation fee and the equipment replaced is a common stock item of Salem Electric, the member will receive a credit equal to the transformation charge in effect for the size of the service entrance being replaced.
- 3) If the equipment is not a common stock item for Salem Electric, the credit will be determined by the salvage value of the equipment.

Equipment is considered a common stock item if it can be expected to be reused within six months. Three-phase transformers above 500 kVa, and single-phase transformers above 100 kVa are not considered common stock items.

Highly Fluctuating Load

For highly fluctuating and intermittent loads which seriously affect voltage, Salem Electric may require a contract for service, which will take into consideration such additional equipment as deemed necessary to maintain satisfactory service to other members. The member may also be required to install, at their own expense, regulative equipment to control such fluctuation.

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Interruptions of Service

Salem Electric will use reasonable diligence to provide satisfactory and uninterrupted electric service, but cannot and will not guarantee such service, and shall not be liable for injury, loss, or damage resulting from any failure to supply electricity, or by any interruption or reversal of the supply of electricity if due to any cause beyond the reasonable control of the Cooperative. Any failure or curtailment of electric service does not constitute a breach of contract.

Whenever necessary, for the purpose of making repairs or improvements to its system, Salem Electric shall have the right to temporarily suspend the delivery of electrical energy. In such cases, Salem Electric will give reasonable notice, if circumstances permit, and attempt to schedule its activities at the member's convenience. Salem Electric will not be liable for injury, loss, or damage resulting from such suspension of the delivery of electricity.

Manufactured Home Parks:

Manufactured home parks may be served under master metering or individual metering.

1) Master Metering (not available for new connections)

All service is metered through a master meter and billed to the operator of the premises. The operator provides all facilities beyond the meter. The operator may include such electrical service with the rental or make individual billings.

2) Individual Metering

Each space or dwelling unit will be metered and billed separately by Salem Electric. The operator of the premises will install individual "service entrance" equipment with a minimum capacity of 200 amps, including provisions for attachment of Salem Electric's service conductors, and or installation of Salem Electric's meter. Salem Electric will issue monthly bills for each meter, to each tenant, under the applicable rate schedule.

3) Conversion from Master Metering to Individual Metering

At the owner's request, conversion may be made from master metering to individual metering. The owner shall provide service entrance equipment, which must be at least 200 amp, and is subject to electrical inspection and approval by the appropriate authority. Upon conversion from master metering to individual metering, secondary and/or service equipment to the service entrance shall become the property of Salem Electric who shall be responsible for its future maintenance. The transfer of such responsibility to Salem Electric shall be deemed the consideration received by the owner in exchange for the conveyance of said equipment. Any necessary easement for the installation of individual metering will be granted to Salem Electric.

4) Underground Service

Underground service may be provided in accordance with standard policy in effect at the time of construction.

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Meter Location

The member must furnish a safe, convenient, readily accessible location to install the metering equipment, without risk of bodily harm to Salem Electric employees, and free from vibration, corrosive atmosphere, and abnormal temperatures. Meters should be installed on the outside of buildings or service structures, except, that in the case of rural or temporary service; a meter may be installed on a member-owned meter pole built to Salem Electric approved standards.

Salem Electric must approve exceptions to this practice.

Meter Tests

Salem Electric tests and inspects its meters to insure a high standard of accuracy. Upon reasonable request, Salem Electric will test any member's meter. If the meter is found, upon test, to have malfunctioned, or, to deviate more than 2% under normal conditions of the member's electric load, the member's billing will be adjusted for a maximum of 12 months, to reflect the correction. No charge will be made to the member for this test.

Net Metering Policy

Salem Electric may purchase electricity generated by members who own a net metering facility. Salem Electric may limit the cumulative generating capacity of all net metering systems served by Salem Electric to any statutorily required limit. Once this limit is met, Salem Electric may not permit the connection of any new member-generators. The net metering facility must use solar, wind, fuel cell, hydroelectric power, landfill gas, digester gas, waste, dedicated energy crops available on a renewable basis or low-emission, nontoxic biomass based on solid organic fuels from wood, forest or field residues to generate electricity. It must have a generating capacity of not more than 25 kilowatts, and be located on the member-generator's premises. The generator must operate in parallel with Salem Electric's existing transmission and distribution facilities and with its primary intent to offset part or all of the member-generator's electric requirements. The member must sign a Salem Electric Net Metering and Interconnection Agreement.

The net metering facility must meet all applicable safety and performance standards established by the Oregon State Building Code, the Oregon Public Utility Commission, the National Electrical Code, the Institute of Electrical and Electronics Engineers and the Underwriters Laboratories.

Salem Electric shall have the option of requiring ongoing testing of disconnection equipment. The member shall provide a safety disconnect device located adjacent to Salem Electric's metering equipment.

Salem Electric shall not be liable, directly or indirectly, for permitting or continuing to allow the attachment of a net metering facility, or for the acts or omissions of the member-generator that cause loss or injury, including death, to any third party.

At its expense, Salem Electric will install bi-directional metering equipment that is capable of registering the flow of electricity in each direction. Effective October 1, 2019, each monthly billing period Salem Electric will charge a member-generator the monthly facilities charge and all applicable charges for the net electricity that Salem Electric delivered. If in a monthly billing period a member-generator has supplied to Salem Electric more electricity than Salem Electric has delivered to the member-generator, Salem Electric will apply the excess kWhs as a

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cumulative credit to the member-generator's monthly bill. Salem Electric will apply such credit at the avoided cost rate for each component on the bill that uses kWhs as the billing determinant.

Systems installed prior to October 1, 2019, will be paid on an annual true-up through April 1, 2040. For the billing cycle ending in March of each year, or at any other time the member discontinues service at the net-metered account, if any unused credits accumulated during the previous 12 months remain, Salem Electric will pay the member-generator an amount equal to the unused credited kWhs times the average wholesale price of power purchased by Salem Electric. Modifications of existing net-metered PV systems that require a new net-metering agreement immediately revokes the application of annual true-up credit, changing the credit determination to a monthly true up credit. The annual true up is non-transferrable. After April 2040, all net-metered PV systems will have a monthly true up.

New Large Load (NLL)

New Large Loads are required to not cause any significant financial effect to the existing membership and will bear the costs of their own service.

NLL Definition: NLL refers to new power customers whose power requirements are greater than 1 aMW of energy in any consecutive 12-month period and to existing members whose load at a single facility increases by greater than 1 aMW of energy in any consecutive 12-month period as compared to the immediately preceding 12-month period. (03/20/2013)

Non Standard Service

The member shall pay the cost of any special installation necessary to meet particular requirements for service at other than standard facilities, or for the supply of closer voltage regulation than required by standard practice.

Notice of Trouble

Salem Electric will strive to give the best possible service to its members at all times. The member can materially assist Salem Electric in fulfilling its purpose by promptly notifying Salem Electric of any defects, trouble, or accident affecting the supply of electricity, or in the event service is unsatisfactory for any reason.

Phase Balance

Except in the case of three-phase, four wire delta service; Salem Electric will require that the current taken by each wire of the three-phase service be reasonably balanced.

Point Of Delivery

The point of delivery is that point on the member's premises (or other agreed point) where Salem Electric terminates its electrical service conductors, and the member's wires are connected to Salem Electric's conductors. All equipment on the member's side shall belong to and be the responsibility of the member; except meters, metering equipment and other equipment provided by Salem Electric.

It shall be the responsibility of the member, or the member's electrical contractor, to advise Salem Electric of service requirements in advance of installing service entrance equipment, and to ascertain that the location is acceptable to Salem Electric. Metering will not be totalized for separate points of supply or service, except by special contract.

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Radio & TV Reception Interference

Salem Electric will investigate reports of interference to radio and television reception, and will attempt to correct the condition causing the interference, provided the interference is found to be caused by Salem Electric's facilities. However, Salem Electric will not repair or replace any defective part of any radio or television, nor will it perform repair or replacement services to such appliances.

Relocation of Equipment at Member Request

In the event any member requests his delivery point be moved to a new location on an existing structure, Salem Electric will remove and reconnect its overhead service drop at the new delivery point without cost to the member, provided no pole or other equipment is required. If a pole, or other equipment is required, the member shall pay for all materials, labor, and overhead required to serve the new delivery point. Where underground service is provided, delivery points shall not be relocated without special permission from Salem Electric, and written agreement by the member to assume all costs of relocation.

In the event a member desires Salem Electric facilities moved, Salem Electric will do so if feasible from an engineering standpoint, and provided necessary right of way can be obtained to do so, and the member agrees to pay in advance an amount sufficient to reimburse Salem Electric for a part or all of the costs, including overhead. Persons requesting such relocations must make satisfactory arrangements for the transfer or relocation of equipment owned by any other utility and any other party who may be involved.

Resale of Energy

The rate schedules cover the distribution of electrical energy for the sole and exclusive use of the member. No member shall connect his service with that of another person, or in any way resell, rebill, or supply any other person or premises with electric energy through their service.

Rights of Way & Rights of Access

Salem Electric shall be granted, at no cost, all rights-of-way and easements necessary to serve the member, overhead or underground, for the installation, maintenance, repair, replacement, removal, or use of all wires, poles, machinery, fixtures, or equipment needed to supply and deliver electric service to the member. Salem Electric, through its authorized employees, shall have access to its equipment at all reasonable times for the purpose of accessing meters, and testing, repairing, or replacing any equipment which is the property of Salem Electric. If such equipment is so located that locks or security devices must be operated to reach it, Salem Electric shall be provided appropriate access.

Service Charge

Whenever electric service has been disconnected for non-compliance with service policies, or for non-payment, or for fraudulent use, the service will not be reconnected until the situation requiring such disconnect has been corrected to the satisfaction of Salem Electric. A charge will be made for all such reconnections. (See Schedule of Charges). If a connect or reconnect is requested after regular working hours, the charges will be as shown on the Schedule of Charges.

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Tax Adjustment

The amount of any and all taxes imposed upon revenue, kilowatt hours, properties, or any other form of taxes or fees imposed by any governmental authority upon Salem Electric, may be apportioned by the Board of Directors to the territory in which such tax, or taxes, may be effective and among the various classes of service furnished therein. Such amounts shall constitute a charge in addition to any amount which may be billed to any member under any rate schedule or special contract.

Temporary Service

Temporary Service refers to electrical service of a short term or transient nature. This type of service is classified as follows:

Metered:

- 1) Single-phase service, 200 amps or less, to construction projects which will result in a permanent residential or commercial service connection. Service to this type of use will be metered and billed under the General Service Rate Schedule. An installation charge shall be required. (See Schedule of Charges).
- 2) Single-phase service greater than 200 amps or three-phase service to construction projects which will result in a permanent residential or commercial service connection. Service to this type of use will be metered and billed under the General Service Rate Schedule. An advance payment shall be made to Salem Electric prior to connection of temporary service in an amount equal to the estimated cost of installing and removing the facilities including overhead costs plus loss of materials. After work is completed the member will be billed the difference between the actual costs and the advance payment.
- 3) Temporary service to public event displays, fairs, festivals, etc. not resulting in a permanent residential or commercial service connection, shall be metered and billed under the General Service Rate Schedule. An advance payment shall be made to Salem Electric prior to connection of temporary service in an amount equal to the estimated costs of installing and removing facilities including overhead costs plus loss of material. After completion of Salem Electric's work, the member will be billed or refunded the difference between the actual costs and the advance payment.

Salem Electric Supplied Temporary Service (SESTS):

An optional single-phase 120/240 volt unmetered service is available for construction projects which will result in a permanent residential service connection; but not to include service to power job shacks, temporary project offices, etc. An installation charge is required. (See Schedule of Charges). If the SESTS is not removed at the time permanent service is connected, a disconnect fee will be charged. (See Schedule of Charges). This service may be used for portable lights, tools, and equipment necessary for the construction of a residential dwelling. The SESTS shall not be used for the operation of permanently installed appliances or equipment nor shall it be used to heat or dry structures under construction. The installation charge shall include up to four months of energy. After the fourth month, a monthly charge will be billed. (See Schedule of Charges).

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Termination of Service

A member who wants electric service discontinued must give notice to Salem Electric's office five days in advance of the effective date. This does not apply to special contracts or rate schedules containing contractual provisions.

Salem Electric may refuse to connect, or may disconnect, service for violation of any of its rules and regulations, for failure to pay electric service charges when due, for violation of rate schedule or contract provisions, or for theft or illegal diversion of current. Discontinuance of service for any of these causes does not release the member from the obligation to pay for energy received or from charges specified in any existing contract.

The following process is followed prior to disconnecting service for non-payment.

- 1) Important Notice: Salem Electric mails an Important Notice 15 days before termination of service. The notice contains:
 - a) the amount due to prevent disconnection;
 - b) the date of the proposed termination (date shall not be less than 15 days from the date of the issuance of the notice);
 - c) a statement advising the member that the proposed action may be appealed by requesting a hearing before the scheduled disconnect date;
 - d) a statement that if the health of someone in their household would be endangered by the disconnection of electric service they should contact our office before the scheduled disconnect date;
 - e) a statement advising the member to contact Salem Electric to make payment arrangements before the scheduled disconnect date.
- 2) Notice of Service Disconnection Order Prior to Termination
 - a) At least five (5) days prior to the proposed termination of service, a Notice of Service Disconnection is mailed by first class mail to the last known address of the member – or a third party designated by the member to receive notices.
 - b) Prior to disconnection Salem Electric will attempt to contact the member or his designated representative, and advise them of the proposed action.
- 3) Information Relating to Financial Assistance

Prior to terminating service, Salem Electric will make available to residential members the names and telephone numbers of appropriate social service agencies which can help the member determine what federal, state, or private aid may be available to that member.
- 4) Appeal of Action

Any member may appeal Salem Electric's decision to terminate service, or its refusal to restore service, by notifying Salem Electric prior to the termination of service.

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Requirements for Restoration of Service

If a residential member's service has been properly terminated under the provisions of Termination of Service, Salem Electric shall not be required to restore or provide service at the same or any other location at which such member resides without payment of any overdue amounts, together with any other deposits, guarantees, and reconnection charges authorized under Salem Electric's service policies. (See Schedule of Charges).

Underground Service

1) Subdivisions

Salem Electric will provide underground electrical service to newly constructed subdivisions including trenching, conduit, primary wiring, switches, pad mounted transformers, substructures and secondary wiring to the property line of each subdivided lot. The developer will pay Salem Electric prior to construction, a cost per front foot. (See Schedule of Charges). Front foot distances will be the total distance of each lot adjoining street right of way within the boundary of the subdivision. All raceways for street crossings shall be provided by the developer to Salem Electric specifications.

2) Individual Extensions

Salem Electric will provide primary trenching, conduit, conductors, switches, pad-mounted transformers, substructures and secondary trenching, conduit, and wiring to a single point of service as designated by Salem Electric. Prior to construction, the member will pay Salem Electric a primary foot fee based on the distance from the existing Salem Electric facilities to the point of transformation and a transformation fee for installations with service panels in excess of 400 amps. (See Schedule of Charges). The transformation fee is based on the electrical panel capacity.

Each developer shall provide and maintain service trench, back-fill and conduit, per Salem Electric specifications, to the point of transformation or to a point designated by Salem Electric.

3) Conversion of Existing Overhead to Underground Service

a) Other Areas: (Member Request)

Salem Electric will inspect the premises, determine feasibility, and prepare a cost estimate for the conversion. The cost estimate will include the following:

- (1) The cost of any necessary rearrangements, modifications, and additions to existing facilities to accommodate the conversion.
- (2) The total cost to install the new underground facilities. This includes labor and material cost for trenching and backfill, conduit, vaults, pads, switches, transformers, wire, and other equipment needed to provide electrical service with the same capability as the existing overhead facilities.
- (3) Credit will be given for salvaged material.

b) Salem Electric Convenience: When it becomes necessary to relocate service lines, Salem Electric may convert to underground service at its own expense.

Schedule of Charges

Line Extension & New Construction

TRANSFORMATION FEES

Single-Phase Service
 600 and 800 amp panel, 120/240 volt\$4,000

Three-Phase

<u>Panel Size (amps)</u>	<u>208/120V</u>	<u>480/277V</u>
600	\$11,000	\$13,500
800	\$11,500	\$13,500
1,200	\$13,500	\$21,800

Other..... Actual Cost

UNDERGROUND EXTENSION FEES

Subdivision Front Footage Charge \$12.50/Right-of-Way Foot
 Individual Extension Fee, Single-Phase..... \$12.65/Lineal Foot
 Three-Phase (200 primary amps or less)\$28.55/Lineal Foot
 Greater than 200 primary amps Actual Material Cost

OVERHEAD EXTENSION FEE Actual Material Cost

TEMPORARY SERVICE

Metered

Single-Phase (resulting in permanent service)..... \$210.00
 Metered under General Service Rate

Unmetered

SE-Supplied Temporary Service (SESTS) \$285.00
 Includes energy for four months\$21.51/month after four months
 If temporary service is not removed at the time permanent service is connected,
 disconnect fee will be charged\$70.00

Three-Phase..... Actual Cost

Other (transient not resulting in permanent service)..... Actual Cost

Schedule of Charges

Connect, Disconnect, Reconnect

Business Hours: Monday through Thursday - 7:00 a.m. to 5:30 p.m.

After Hours: Monday through Thursday – 5:30 p.m. to 9:00 p.m.

CONNECT FEE¹

Business Hours	No Charge*
After Hours	\$100.00
Holidays & All Other Hours	\$200.00

*A \$15.00 fee will be charged for service connections of less than 30 days.

DISCONNECT FEE¹

Business Hours	No Charge
All Other Hours	Actual Cost

RECONNECT FEE¹

Business Hours	\$30.00
After Hours	\$100.00
Holidays & All Other Hours	\$200.00
Unauthorized Connection of Service ²	\$200.00
Tamper Fee – First Incident.....	\$200.00
Thereafter	\$250.00

¹Connect, disconnect and reconnect at other than meter base will be charged at actual cost.

²Electrical contractor must notify Salem Electric prior to connection or disconnection of service.

MISCELLANEOUS

ADMINISTRATIVE CHARGE (Net Metering)..... Current basic charge of applicable rate schedule.

AMI DEFERRAL

Non-AMI Meter – Monthly Reading	\$35
Non-AMI Meter – Reread Request (Unfound Error).....	\$35
Non-AMI Meter Installation	\$100

DAMAGE TO SALEM ELECTRIC PROPERTY:

Labor (Foreman & Lineman) (OT 2 hr. min).....	Actual Cost
Per Line Truck.....	\$70.00/hr.
Materials	Actual Cost
Meter – Electronic (AMI or Non-AMI)	\$200.00
Administration	10% of Total Cost

MEMBERSHIP FEE

RETURN CHECK CHARGE (NSF).....\$21.00

SERVICE CALL (CUSTOMER PROBLEM)

SERVICE CHARGE1.5% on delinquent balances over \$50; \$3 minimum

STREET LIGHT CONNECT (CUSTOMER-OWNED)