

TARIFF FOR ELECTRIC SERVICE

**Denton County Electric Cooperative, Inc.,
d/b/a CoServ Electric**

(Effective as of May 1, 2010)

TARIFF FOR ELECTRIC SERVICE
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UTILITY OPERATIONS

101. Description of Electric Utility Operations.

101.1 Organization. Denton County Electric Cooperative, Inc. is an electric cooperative corporation organized and operating under the Electric Cooperative Corporation Act (Texas Utilities Code, Chapter 161.) and the laws of the State of Texas and is owned by its members. The Cooperative’s business affairs are managed by a board of directors who are elected to the board from and by the Cooperative’s members in accordance with the provisions of the bylaws.

101.2 Type of Service. The Cooperative provides electric utility service through the operation of a retail electric distribution system. The Cooperative does not engage in the generation of electric power, but instead purchases all of its electric energy requirements through Brazos Electric Power Cooperative, Inc. and other sources.

101.3 Service Area.

A. Certification. The Public Utility Commission of Texas authorized the Cooperative to provide electric utility service by the issuance of a Certificate of Convenience and Necessity.

B. Counties. The service area of the Cooperative includes all or portions of the following counties:

Collin	Cooke
Denton	Grayson
Tarrant	Wise

C. Cities. The service area of the Cooperative includes all or portions of the following incorporated municipalities:

Allen	Argyle
Aubrey	Bartonville
Carrollton	Celina
Coppell	Copper Canyon
Corral City	Cross Oaks
Cross Roads	Denton
Dish	Double Oak
Flower Mound	Fort Worth

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Frisco	Hackberry
Hebron	Hickory Creek
Highland Village	Justin
Krugerville	Krum
Lakewood Village	Lewisville
Lincoln Park	Little Elm
McKinney	New Fairview
Northlake	Oak Point
Parker	Pilot Point
Plano	Ponder
Prosper	Rhome
Sanger	The Colony
Wylie	

102. Purpose and Scope of this Tariff. This Tariff defines the service relationship between the Cooperative and persons desiring or receiving electric utility service from the Cooperative.
103. Applicability of this Tariff.
This Tariff governs the provision of all electric utility service by the Cooperative in all areas in which the Cooperative provides service except as may be precluded by law. This Tariff supersedes and annuls all prior tariffs including service rules and regulations by whatever term designated which may heretofore have governed the supplying and taking of Cooperative's electric service.
104. Severability. If any provision of this Tariff is held invalid, such invalidity shall not affect other provisions or applications of this Tariff which can be given effect without the invalid provision or application, and to this end the provisions of This Tariff are declared to be severable.
105. Modification of Tariff. This Tariff may be changed, modified, or abrogated in whole or in part by any regulatory authority having jurisdiction to do so, whether or not at the request of the Cooperative, a Customer, or otherwise. Any changes to this Tariff shall be applicable to service provided from and after the effective date of such change. This Tariff may be changed by the Cooperative's Board of Directors to the extent Texas law does not require approval of changes by a regulatory authority.
106. No Waiver. The failure of the Cooperative to enforce any of the provisions of this Tariff shall not be considered a waiver of its right to do so.

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201. Rate Classification and Assignment. Rate classification and assignment shall be made by the Cooperative in accordance with the availability and type of service provisions in its rate schedules. Rate schedules have been developed for the standard types of service provided by the Cooperative. If Customer's request for electric service involves unusual circumstances, usage, or load characteristics not regularly encountered by the Cooperative, the Cooperative may assign a suitable rate classification or enter into a special contract. Any special contract shall be filed with the regulatory authority having jurisdiction thereof.

202. Rate Schedules.

202.1 Residential.

A. Application.

Applicable to all Customers taking the type of service described in this rate schedule for all of the electric service supplied at one point of delivery and measured through one meter used for the following purposes(s):

(1) For domestic uses associated with the operation of a single family or multi-family residential installation. Not applicable to temporary or shared service.

B. Type of Service.

Single phase or three phase service at the Cooperative's standard secondary distribution voltages, where available. Where service of the type desired by Customer is not already available at the point of delivery, additional charges and special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

(1) Customer Charge: \$10.00 per meter, provided; however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

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And

(2) Energy Charge:

Summer

May through
October billing
periods, inclusive:

\$0.129402 per kWh
for all kWh

Winter

November through
April billing
periods, inclusive:

First 700 kWh @ \$0.129402 per kWh
Next 300 kWh @ \$0.119402 per kWh
Over 1000 kWh @ \$0.114402 per kWh

D. Minimum Charge.

Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The customer charge;

And

- (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

E. Billing Adjustments.

This rate is subject to all billing adjustments.

F. Agreement.

An agreement for electric service with a minimum term of one (1) year or more shall be required by the Cooperative. The maximum term shall be determined in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's board of directors. Service hereunder is subject to this Tariff.

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202.2 Public Buildings.

A. Application.

Applicable to all Customers taking the type of service described in this rate schedule for all of the electric service supplied at one point of delivery and measured through one meter used for the following purpose(s):

Public buildings, including schools, churches and community halls, but not municipal facilities.

B. Type of Service.

Single phase or three phase service at the Cooperative's standard secondary distribution voltages, where available. Where service of the type desired by customer is not already available at the point of delivery, additional charges and/or special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

(1) For Non-Demand Metered Accounts (under 35 kW):

- (a) Customer Charge: 20.00 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

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- (b) Energy Charge:
- | | |
|-----------------------------------|---------------------------------------------------------------------------|
| <u>Summer</u> | <u>Winter</u> |
| May through | November through |
| October billing | April billing |
| periods, inclusive: | periods, inclusive: |
|
 |
 |
| \$0.125304 per kWh
for all kWh | First 700 kWh at \$0.125304 per kWh
Over 700 kWh at \$0.115304 per kWh |

This charge for the delivery of energy shall be applied to all kWh usage during each billing period for service locations which are not demand metered;

Or

(2) For Demand Metered Accounts (35 kW or greater):

- (a) Customer Charge: \$35.00 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

- (b) Energy Charge:

First 150 kWh per Billing Demand kW at \$0.138325 per kWh

Over 150 kWh per Billing Demand kW at \$0.104345 per kWh

This charge for the delivery of electric energy is applied to all kWh usage during the billing period for service locations which are demand metered. Billing Demand is the maximum kilowatt demand for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than fifty percent (50%)

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of the highest adjusted kW demand established in the preceding May to October billing periods, or 35 kW, whichever is greater.

- D. Monthly Minimum Charge.
Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:
 - (1) The customer charge;

And

 - (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

- E. Billing Adjustments.
This rate is subject to all applicable billing adjustments.

- F. Agreement.
An agreement for electric service with a minimum term of one (1) year or more shall be required by the Cooperative. The maximum term shall be determined in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's board of directors. Service hereunder is subject to this Tariff.

202.3 **OPEN**

202.4 **Commercial**

- A. Application.
Applicable to all Customers having less than 35 kW of maximum demand taking the type of service described in this rate schedule for all of the electric service supplied at one point of delivery and measured through one meter used for all commercial purposes and for municipal facilities.

Applicable for temporary and construction power but not for shared service.

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B. Type of Service.

Single or three phase service at the Cooperative's standard secondary distribution voltages, where available. Where service of the type desired by Customer is not already available at the point of delivery, additional charges and special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

- (1) Customer Charge: \$25.00 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

- (2) Energy Charge:

<u>Summer</u>	<u>Winter</u>
May through October billing periods, inclusive:	November through April billing periods, inclusive:
\$0.138114 per kWh for all kWh	\$0.135544 per kWh for all kWh

D. Monthly Minimum Charge.

Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The Customer charge;

And

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(2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

E. Billing Adjustments.

This rate is subject to all billing adjustments.

F. Agreement.

An agreement for electric service with a minimum term of one (1) year or more shall be required by the Cooperative. The maximum term shall be determined in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's board of directors. Service hereunder is subject to this Tariff.

202.5 Industrial.

A. Application.

Applicable to all Customers taking the type of service described in this rate schedule for all service supplied at one point of delivery and taken through a single meter for all commercial, industrial and municipal facility uses requiring 35 kW or more of maximum demand.

B. Type of Service.

Single phase and three phase service at available primary or secondary distribution voltages. Where service of the type desired by Customer is not already available at the point of delivery, additional charges and special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

- (1) Customer Charge: \$35.00 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

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And

(2) Demand Charge:

May-October billing periods \$13.04 per kW of Billing Demand

November-April billing periods \$10.04 per kW of Billing Demand

Billing Demand is the maximum kilowatt demand for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor. In no event shall Billing Demand be less than fifty percent (50%) of the highest adjusted kilowatt demand established in the billing period or preceding May to October billing periods, or 35 kW, whichever is greater;

And

(3) Energy Charge \$0.080362 per kWh

This charge for the delivery of energy shall be applied to all kWh usage during a billing period.

D. Monthly Minimum Charge.

Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The Customer Charge and Demand Charge;

And

- (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments.

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F. Agreement.

An agreement for electric service with a minimum term of three (3) years shall be required by the Cooperative. The maximum term shall be determined in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's board of directors. Service hereunder is subject to this Tariff.

202.6 OPEN

202.7 OPEN

202.8 Lighting Service.

A. Application.

Applicable to Customers taking the type of service described in this rate schedule for pole mounted area security lighting near the Cooperative's electric distribution lines. Not applicable for temporary, construction or shared service.

B. Type of Service.

Single Phase Service at the Cooperative's standard secondary distribution voltages.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

(1) Lights owned and maintained by the Cooperative:

(a) Light Charge

50 Watt	\$10.73 CLOSED
70 Watt	\$10.73 CLOSED
75 Watt	\$10.73 CLOSED
100 Watt	\$10.73
150 Watt	\$11.76
175 Watt	\$12.28 CLOSED
200 Watt	\$14.81 CLOSED

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250 Watt	\$16.49
400 Watt	\$23.48
1000 Watt	\$49.67 CLOSED
Decorative Cluster (4)	\$23.73 CLOSED
Decorative Cluster (5)	CLOSED
Security Light Customer	\$ 3.88 CLOSED

And

(b) Pole Charge - For each Decorative Pole or Additional Pole:

Wood Pole	\$ 1.62
Fiberglass Pole	\$ 3.44
Antique Pole	\$10.32
20 ft Steel Pole, anchor base decorative	\$ 8.21
35 ft Steel Pole, anchor base decorative	\$12.73

(2) Customer Owned and Customer Maintained lights:

(a) Metered Lighting

Customer Charge: \$15.00 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

Energy Charge \$0.108601 per kWh

(b) Non-metered Lighting

100 Watt	\$ 5.96
150 Watt	\$ 8.12
175 Watt	\$ 9.23
200 Watt	Closed

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250 Watt	Closed
400 Watt	Closed
1000 Watt	Closed

D. Billing Adjustments.

This rate is subject to all applicable billing adjustments. Billing adjustments each billing period shall be based on the following estimates of energy usage if energy usage is not metered:

Energy Usage

50 Watt	40 kWh
70 Watt	40 kWh
75 Watt	40 kWh
100 Watt	40 kWh
150 Watt	60 kWh
175 Watt	70 kWh
200 Watt	80 kWh
250 Watt	100 kWh
400 Watt	160 kWh
1000 Watt	400 kWh

202.9 College and University. **CLOSED**

A. Application.

Applicable for electric service to any facility of any four (4) year state university upper level institution, Texas state technical college, or college to which the Cooperative is required to discount the base rates, as provided in PURA 95, Section 2.2141. The provisions of the applicable rate schedule are modified only as shown herein.

B. Type of Service.

Single phase or three phase service at the Cooperative's standard secondary distribution voltages, where available. Where service of the type desired by customer is not already available at the point of delivery, additional charges and special contract arrangements may be required prior to service being furnished.

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C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

(1) For Non-Demand Metered Accounts (under 35 kW):

(a) Customer Charge \$20.00 per meter

This charge is for the availability of electric service;

And

(b) Energy Charge

Summer

May through
October billing
periods, inclusive:

\$0.122153 per kWh
for all kWh

Winter

November through
April billing
periods, inclusive:

First 700 kWh at \$0.122153 per kWh
Over 700 kWh at \$0.113773 per kWh

This charge for the delivery of energy shall be applied to all kWh usage during each billing period for service locations which are not demand metered;

Or

(2) For Demand Metered Accounts (35 kW or greater):

(a) Customer Charge \$35.00 per meter

This charge is for the availability of electric service;

And

(b) Energy Charge:

First 150 kWh per kW of Billing Demand at \$0.141160 per kWh

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Over 150 kWh per kW of Billing Demand at \$0.099231 per kWh

This charge for the delivery of electric energy is applied to all kWh usage during the billing period for service locations which are demand metered. Billing Demand is the maximum kilowatt demand for any period of fifteen (15) consecutive minutes during the billing period as adjusted for power factor, but in no event is billing demand less than fifty percent (50%) of the highest adjusted kW demand established in the preceding May to October billing periods, or 35 kW, whichever is greater.

D. Monthly Minimum Charge.

Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The Customer Charge;

And

- (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments.

F. Agreement.

An agreement for electric service with a minimum term of one (1) year or more shall be required by the Cooperative. The maximum term shall be determined in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's board of directors. Service hereunder is subject to this Tariff.

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202.10 Commercial Service – Large Industrial and Economic Development

A. Application.

Applicable at the Cooperative's sole discretion for all of the electric service supplied at one point of delivery and measured through one meter and for the following purposes:

- (1) Where a competing utility may apply a rate based on marginal costs;
- (2) Where the Cooperative may be required to make, through contractual arrangements, a special or extensive line extension; and
- (3) Where the customer has a load characteristic that significantly differs from the load characteristics of the customer class for the applicable standard rate schedule.

B. Type of Service.

Transmission service and three phase service at the Cooperative's standard secondary or primary distribution voltages. Where service of the type desired by the Customer is not already available at the point of delivery, additional charges under the Cooperative's line extension policy and special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period, the Customer shall be obligated to pay the following charges:

- (1) Customer Charge: The greater of \$50.00, or as specified in the Agreement for Electric Service, provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is an availability charge for providing electric distributions service;

- (2) Energy Charge: As specified in the Agreement for Electric Service

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(3) Demand Charge: As specified in the Agreement for Electric Service.

The demand and energy charges shall not be less than the charges for demand and energy incurred by the Cooperative to supply customer's load and shall be equal to or greater than the Cooperative's marginal costs.

D. Agreement.

An agreement for electric service shall be required by the Cooperative. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction, or if none, by the Cooperative's board of directors, and service hereunder is subject to this Tariff.

202.11 Residential Time-of-Use.

A. Application.

Applicable to all Customers taking the type of service described in this rate schedule for all of the electric service supplied at one point of delivery and measured through one meter used for the following purpose(s):

- (1) For domestic uses associated with the operation of a single family or multi-family residential installation.
- (2) Not applicable to temporary or shared service.

The Cooperative reserves the right to discontinue this rate to additional customers when in the Cooperative's judgment, system load characteristics no longer warrant such rate.

B. Type of Service.

Single-phase or three-phase service at the Cooperative's standard secondary distribution voltages, where available. Where service of the type desired by Customer is not already available at the point of delivery, additional charges and special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

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- (1) Customer Charge: \$12.00 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

- (2) Energy Charge.
\$0.184089 per On-Peak kWh
\$0.090705 per Off-Peak kWh

- D. Determination of On-Peak/Off -Peak kWh.
The On-Peak hours upon which the On-Peak Energy Charge is based shall be the hours from 3:00 p.m., CT, through 8:00 p.m., CT, for the months of May through October, from 6:00 a.m., CT, through 8:00 a.m., CT, and from 3:00 p.m., CT, through 8:00 p.m., CT, for the months of November through April. All other hours shall be classified as Off-Peak hours.

- E. Minimum Charge.
Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The Customer Charge;

And

- (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

- F. Billing Adjustments.
This rate is subject to all billing adjustments.

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G. Agreement.

An agreement for electric service with a minimum term of one (1) year or more shall be required by the Cooperative. The maximum term shall be determined in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction or, if none, by the Cooperative's board of directors. Service hereunder is subject to this Tariff.

202.12 Commercial Time-of-Use.

A. Application.

Applicable to all Customers having less than 35 kW of maximum demand taking the type of service described in this rate schedule for all of the electric service supplied at one point of delivery and measured through on meter used for all commercial purposes. Applicable for temporary and construction power but not for shared service. The Cooperative reserves the right to discontinue this rate to additional customers within the Cooperative's judgment, system load characteristics no longer warrant such rate.

B. Type of Service.

Single or three-phase service at the Cooperative's standard secondary distribution voltages, where available. Where service of the type desired by Customer is not already available at the point of delivery, additional charges and special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

(1) Non-Demand Metered Customers:

- (a) Customer Charge: \$27.50 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

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This charge is for the availability of electric service;

And

(b) Energy Charge:

\$0.202989 per kWh for all On-Peak kWh
\$0.109605 per kWh for all Off-Peak kWh

(2) Demand Metered Customers (Optional for Customers over 10 kW):

(a) Customer Charge: \$35.00 per meter; provided however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

(b) Demand Charge:

On-Peak Demand Charge, per billing kW:

May through October	\$11.15 per billing kW
November through April	\$ 8.63 per billing kW

Non-Coincident Peak (NCP) Demand Charge:

All Months	\$ 4.80 per kW of Billing Demand
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And

(c) Energy Charge: \$0.084297 per kWh

This charge for the delivery of energy shall be applied to all kWh usage during a billing period.

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D. On-Peak Billing Demand.

For the calendar months of May through October, the On-Peak Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period of the five (5) hours from 3:00 p.m., CT, to 8:00 p.m., CT, but not less than fifty percent (50%) of the On-Peak Demand measured in the preceding eleven (11) months.

For the calendar months of November through April, the On-Peak Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing periods for the five (5) hours from 3:00 p.m., CT, to 8:00 p.m., CT, and for the two (2) hours from 6:00 a.m., CT, to 8:00 a.m., CT, but not less than fifty percent (50%) of the On-Peak Demand measured in the preceding eleven (11) months.

E. Noncoincident Peak (NCP) Billing Demand.

The NCP Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period, but not less than fifty percent (50%) of the NCP Demand measured in the preceding May to October billing periods, or 10 kilowatts, whichever is greater.

F. Monthly Minimum Charge.

Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The Customer Charge and Demand Charge; and
- (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

G. Billing Adjustments.

This rate is subject to all billing adjustments.

H. Agreement.

An agreement for electric service with a minimum term of one (1) year or more shall be required by the Cooperative. The maximum term shall be determined in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having

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jurisdiction, or, if none, by the Cooperative's board of directors. Service hereunder is subject to this Tariff.

202.13 Industrial Time-Of-Use Rate.

A. Availability.

This Optional Time-Of-Use rate is offered to customers receiving or eligible to receive service under Schedule 202.5 Industrial. The Customer must establish usage during the on-peak hours before billing under this rate becomes effective. The Cooperative reserves the right to discontinue this Optional Time-Of-Use rate to additional customers if in the Cooperative's judgment, system load characteristics no longer warrant such option.

B. Monthly Rate.

- (1) Customer Charge - \$45.00 per meter; provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

- (2) Demand Charge:

On-Peak Demand Charge:

May through October	\$11.15 per kW of Billing Demand
November through April	\$ 8.63 per kW of Billing Demand

Non-Coincident Peak (NCP) Demand Charge:

All Months	\$2.35 per kW of Billing Demand
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And

- (3) Energy Charge: \$0.080362 per kWh

This charge for the delivery of energy shall be applied to all kWh usage during a billing period.

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C. On-Peak Billing Demand.

For the calendar months of May through October, the On-Peak Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period for the five (5) hours from 3:00 p.m., CT, to 8:00 p.m., CT, but not less than fifty percent (50%) of the On-Peak Demand measured in the preceding eleven (11) months.

For the calendar months of November through April, the On-Peak Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing periods for the five (5) hours from 3:00 p.m., CT, to 8:00 p.m., CT, and for the two (2) hours from 6:00 a.m., CT, to 8:00 a.m., CT, but not less than fifty percent (50%) of the On-Peak Demand measured in the preceding eleven (11) months.

D. Noncoincident Peak (NCP) Billing Demand.

The NCP Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period, but not less than fifty percent (50%) of the NCP Demand measured in the preceding May to October billing periods, or 35 kilowatts, whichever is greater.

E. Minimum Monthly Charge.

Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (1) The Customer Charge and Demand Charge;

And

- (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

F. Billing Adjustments.

This rate is subject to all applicable billing adjustments.

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202.14 Optional Public Building Time-Of-Use.

A. Availability.

This Optional Time-Of-Use rate is offered to customers receiving or eligible to receive service under the Public Building rate upon request by the customer. The Customer must establish usage during the on-peak hours before billing under this rate becomes effective. The Cooperative reserves the right to discontinue this Optional Time-Of-Use rate to additional customers if in the Cooperative's judgment, system load characteristics no longer warrant such option.

B. Monthly Rate.

- (1) Customer Charge: \$40.00 per month, provided, however, that if the Customer's billing period is at any time twenty-seven (27) days or less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;
And

- (2) On-Peak Demand Charge:
May through October \$8.10 per kW of Billing Demand
November through April \$6.65 per kW of Billing Demand

And

- (3) Intermediate-Peak Demand Charge:
All Months \$2.70 per kW of Billing Demand

And

- (4) Non-Coincident Peak (NCP) Demand Charge:
All Months \$3.30 per kW of Billing Demand

And

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(5) Energy Charge: \$0.076062 per kWh

This charge for the delivery of energy shall be applied to all kWh usage during a billing period.

- C. On-Peak Billing Demand.
For the calendar months of May through October, the On-Peak Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period for the three and one-half (3½) hours from 4:30 p.m., CT, to 8:00 p.m., CT, but not less than fifty percent (50%) of the On-Peak Demand measured in the preceding eleven (11) months.
- For the calendar months of November through April, the On-Peak Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period for the two (2) hours from 6:00 a.m., CT, to 8:00 a.m., CT, and for the three and one-half (3½) hours from 4:30 p.m., CT, to 8:00 p.m., CT, but not less than fifty percent (50%) of the On-Peak Demand measured in the preceding eleven (11) months.
- D. Intermediate Peak Demand.
The Intermediate Peak Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period for one and one-half (1½) hours from 3:00 p.m., CT, to 4:30 p.m., CT, but not less than fifty percent (50%) of the Intermediate Demand measured in the preceding eleven (11) months.
- E. Noncoincident Peak (NCP) Billing Demand.
The NCP Billing Demand shall be the maximum kilowatt demand measured for any period of fifteen (15) consecutive minutes during the billing period, but not less than fifty percent (50%) of the NCP Demand measured in the preceding May to October billing periods, or 35 kilowatts, whichever is greater.
- F. Minimum Monthly Charge.
Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:
- (1) The Customer Charge and Demand Charge;

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And

- (2) Any amount authorized under the Cooperative’s line extension policy for amortization of line extension costs.

G. Billing Adjustments.

This rate is subject to all applicable billing adjustments.

202.15 Distributed Generation.

A. Application.

Applicable to distributed generation facilities smaller than 10 MW of connected generation connected in parallel operation to the Cooperative’s electric system in accordance with the Cooperative’s service rules and regulations and the DG Manual.

This rate is not applicable to temporary, shared, or resale service. This rate is applicable to service supplied at one point of delivery.

B. Sales to Customer.

Sales to a Customer with distributed generation shall be consistent with the applicable retail rate tariff established by the Cooperative and in use by the Customer as if there were no distributed generation installation.

C. Purchases from a Customer – Facility Classified as 50 kW or Less of Connected Generation.

For power produced in excess of on-site requirements, the Customer shall be compensated by net metering. Net metering is defined as measuring the difference between the electricity supplied by the Cooperative and the electricity supplied by the Customer’s facility and delivered to the Cooperative’s electric system over the operable time period.

The Cooperative shall bill the Customer for the excess of energy supplied by the Cooperative over and above the energy supplied by the Customer during each billing period according to the Cooperative’s applicable retail rate schedule.

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When the energy supplied by the Customer exceeds the energy supplied by the Cooperative during a billing period, the monthly charge and/or minimum bill of the applicable retail rate schedule shall be billed by the Cooperative in addition to the monthly metering charge, and the excess energy shall be provided at no charge to the Cooperative.

The Customer's distributed generation facility must be a Qualifying Facility ("QF") as defined by the Public Utility Regulatory Policies Act of 1978. If Customer is not a QF, the Cooperative may, at its sole discretion, purchase power from the Customer under the terms of this section.

D. Purchases from a Customer – Facility Classified as Greater than 50 kW and Less than 10 MW of Connected Generation.

Determination of billing shall be accomplished by interconnection through two meters with one measuring all energy consumed by the Customer and the other measuring all energy produced by the Customer.

The Customer shall be compensated for energy produced by the Customer at the Cooperative's avoided wholesale power cost.

The Cooperative shall bill the Customer for the energy consumed by the Customer during each billing period according to the Cooperative's applicable retail rate schedule.

There shall be no net metering (as defined in subsection C above) for distributed generation facilities larger than 50 kW of connected generation.

The Customer shall be subject to any market charges related to the Customer's distributed generation facility, including but not limited to scheduling, dispatching and energy imbalance.

The Customer's distributed generation facility must be a Qualifying Facility ("QF") as defined by the Public Utility Regulatory Policies Act of 1978. If Customer is not a QF, the Cooperative may, at its sole discretion, purchase power from the Customer under the terms of this section.

E. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges in addition to all charges indicated on his/her base rate:

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- (1) Customer Charge:
50 kW and smaller - \$10.00 per meter
Over 50 kW and under 10 MW - \$45.00 per meter

202.16 Optional Residential 100% Wind Power.

A. Application.

Applicable to all Customers taking the type of service described in this rate schedule for all of the electric service supplied at one point of delivery and measured through one meter used for domestic uses associated with the operation of a single family or multi-family residential installation. Not applicable to temporary or shared service.

The Cooperative may purchase electric energy from Texas renewable wind generation resources or retire renewable energy certificates allocated to the Customer in an amount equal to the Customer's monthly kWh usage. The Cooperative may take up to three months following the close of a calendar year to make up any deficiency in renewable resource purchases or renewable energy certificates provided in connection with this rate schedule.

Customers who choose to receive electric service pursuant to this rate schedule will not have electricity from a specific renewable resource delivered directly to their electric service location.

B. Type of Service.

Single phase or three phase service at the Cooperative's standard secondary distribution voltages, where available. Where service of the type desired by Customer is not already available at the point of delivery, additional charges and special contract arrangements may be required prior to service being furnished.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

- (1) Customer Charge: \$10.00 per meter, provided; however, that if the Customer's billing period is at any time twenty-seven (27) days or

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less, the Customer Charge for such billing period shall be prorated based on the actual number of days in such billing period, divided by twenty-eight (28).

This charge is for the availability of electric service;

And

(2) Energy Charge:

Summer
May through
October billing
periods, inclusive:

\$.13464 per kWh
for all kWh

Winter
November through
April billing
periods, inclusive:

First 700 kWh @ \$.13464 per kWh
Next 300 kWh @ \$.12464 per kWh
Over 1000 kWh @ \$.11964 per kWh

D. Minimum Charge.

Each billing period the Customer shall be obligated to pay the following charges as a minimum, whether or not any energy is actually used:

- (2) The customer charge;

And

- (2) Any amount authorized under the Cooperative's line extension policy for amortization of line extension costs.

E. Billing Adjustments.

This rate is subject to all billing adjustments.

F. Agreement.

Electric service pursuant to this rate schedule is month-to-month with no minimum term or cancellation fee. An agreement for electric service with a term of one (1) year or more shall be required by the Cooperative in accordance with the applicable line extension policy. This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction

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or, if none, by the Cooperative’s board of directors. Service hereunder is subject to this Tariff. The Cooperative in its sole discretion may terminate electric service pursuant to this rate schedule at any time and provide electric service to the Customer according to the applicable rate schedule in the Tariff.

203. Billing Adjustments. The Cooperative shall adjust all bills in accordance with the following adjustments if applicable:

203.1 Power Cost Recovery Factor (PCRf).

The PCRf shall be applicable to all customers except those served under Schedule 202.10 – Commercial Service – Large Industrial and Economic Development. For the purposes of calculation of the PCRf, Purchased Power Cost shall mean power purchases and credits from all power suppliers and shall include all power supply related costs including, but not limited to:

- A. Electric power production costs;
- B. Fuel costs;
- C. Market power purchases;
- D. Distributed generation power purchases;
- E. Transmission costs;
- F. Substation costs;
- G. Power supplier surcharges for energy efficiency and demand response programs;
- H. Power supplier surcharges for equity or other power supply related costs; and
- I. Energy efficiency and demand response program incentive and administrative costs.

The monthly charges shall be increased or decreased on a uniform per kWh basis computed monthly as follows:

$$\text{PCRf} = \frac{A - B + C}{\text{kWhs}}$$

Where:

PCRf = Power Cost Recovery Factor (expressed in \$ per kWh) to be applied to estimated energy sales for the billing period.

A = Total Purchased Power Cost excluding Purchased Power Cost for customers served under Schedule 202.10 –

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Commercial Service – Large Industrial and Economic Development.

B = Total estimated Purchased Power Cost which are included in the Cooperative’s base rates (“Base Power Cost”). The Base Power Cost is computed as:

$$B = (D)(kWhs)$$

D = Base Power Cost in \$/kWh sold of 0.102090.

KWhs = Total estimated energy sales for the billing period excluding sales to customers served under Schedule 202.10 – Commercial Service – Large Industrial and Economic Development.

C = Adjustment to be applied to the current monthly billing to account for differences in actual purchased electricity costs and actual PCRf revenues recovered in previous periods.

203.2 **OPEN.**

203.3 **Sales Tax.**

All bills shall be adjusted by the amount of any sales tax or other tax attributable to the sale of electric service to the Customer unless Customer has previously provided to the Cooperative satisfactory proof of exemption.

203.4 **Overbilling and Underbilling.**

If billings for utility service are 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 by the Cooperative. If a 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 herein, 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 determined in accordance with Section 302.12 of this Tariff. All interest shall be compounded annually. Interest shall not apply to underbilling amounts unless it is determined by the Cooperative, in its sole discretion, that such underbilling is the result of meter tampering, bypass, or

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diversion. The amount billed by the Cooperative for any underbilling shall not exceed an amount equal to the cost of Customer's usage for the previous six (6) month period unless the Cooperative can produce records to identify and justify the additional amount of underbilling or unless such underbilling is a result of meter tampering, bypass, or diversion. If the underbilling is \$100 or more, the Cooperative may offer the Customer a deferred payment plan for the same length of time as that of the underbilling.

203.5 Power Factor Adjustment.

Demand charges may be adjusted if the power factor is lower than ninety percent (90%). Measured demand may be increased by one percent (1%) for each one percent (1%) by which the power factor is less than ninety percent (90%) lagging for any period of fifteen (15) consecutive minutes. This adjustment shall not be applied on loads of less than 35 kW.

203.6 Franchise and Gross Receipts Tax.

The Cooperative may adjust bills for electric service by the amount of any franchise or gross receipts tax that the Cooperative is required to pay to any federal, state or local governmental authority or to any other entity in connection with the provision of electric service to Customers.

203.7 Rate of Interest.

Interest on Customer deposits shall be determined in accordance with Section 302.12 of this Tariff.

204. Service Fees.

204.1 Trip Fee.

Except as provided in these rules, the Cooperative shall charge \$50.00 for each trip to Customer's premises which is requested by the Customer or reasonably necessary under these rules or standard operating practice. (e.g. trip to Customer's premises for collection of a bill, connection, reconnection trouble report investigation, or to make disconnection).

If a trip to Customer's premises is made outside of the Cooperative's normal working hours, Customer shall be charged a Trip Fee of \$75.00. This charge will also be assessed for same-day reconnection of a delinquent account where payment is received after 3:00 p.m., CT.

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If the Cooperative has not received payment for the Customer's delinquent amount by 8:00 a.m. CT, of the day that the Cooperative schedules the physical disconnection of service, the Cooperative may charge the Trip Fee to the Customer.

The Cooperative may charge the Trip Fee to the Customer for a missed appointment with Cooperative personnel that has been requested and scheduled by the Customer.

No charge shall be made to investigate an outage or service irregularity unless caused by Customer or Customer's installation or equipment.

204.2 Membership Fee.

Each Customer shall be charged a membership fee of \$15.00.

204.3 Returned Check.

The Cooperative shall charge \$25.00 for each check or other form of payment which is dishonored or returned to the Cooperative. Any Customer having a check or other form of payment dishonored one or more times in a twelve (12) month period may be required to pay by cash, money order, or certified check for the following twelve (12) month period.

204.4 Meter Test Fee.

The Cooperative may charge the Customer a fee which reflects the cost to test the meter, but not more than \$50.00 for a residential Customer, if:

- A. Customer's meter has been tested at Customer's request and within a period of four (4) years the Customer requests a new test, and
- B. The Cooperative's meter test finds the meter to be within the accuracy standards established by the American National Standards Institutes, Inc

204.5 Switchover Fee.

Where service to a Customer is being switched between the Cooperative and another electric utility, the following charges shall apply when the Cooperative is the disconnecting utility:

- A. A charge of \$135.00. (This charge covers average labor and transportation costs incurred in making the disconnect.)
- B. Any unpaid construction, line extension, or other contract charges.

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- C. A charge for removal of any property, plant or facilities of the Cooperative used to provide service to the Customer if the customer requests removal or removal is required for legal or safety reasons, or by requirement of any authority.
- D. A charge for distribution facilities rendered idle as a result of the disconnection and not usable on another part of the Cooperative’s system based on the original cost of such facilities less depreciation, salvage and contributions in aid of construction, but including the cost of removing idled plant deemed by the Cooperative to be economically salvageable.
- E. Prior to disconnection, the Customer shall pay the Cooperative for all service up through the date of disconnection as well as the charges set forth in this Tariff. Upon receipt of payment, the Cooperative shall give the Customer a paid receipt.

Any Customer whose service is being switched between the Cooperative and another electric utility is hereby advised that the connecting electric utility may not provide service to said Customer until such connecting utility has received evidence from the Cooperative that the Customer has paid for electric service through the date of disconnection and any charges for disconnection due under this Tariff.

204.6 Late Payment Fee.
The Cooperative may charge a one-time penalty (not to exceed five percent (5%) of the balance due) on each delinquent bill for electric service. Such penalty may not be charged against any balance to which a penalty has already been applied.

204.7 Tampering Fee.
The term “meter tampering” as used herein applies to any instance in which a meter assigned to a member shows any evidence of having been entered by any person, firm or corporation other than a Cooperative employee in furtherance of the Cooperative’s business. Tampering includes, but is not limited to, instances in which the seal is broken, jumpering the meter so as to bypass the meter and impair or defeat its measurement of energy, or reversing the meter so as to impair or defeat its measurement of energy. Tampering also includes any other act whether specifically covered herein which interferes with the meter’s effectiveness to gauge the consumption of electric energy.

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In cases of meter tampering or bypassing of meter, electric energy consumed, but not metered, may be estimated by the Cooperative based on amounts used under similar conditions during preceding years. Where no previous usage history exists or is considered unreliable due to meter tampering or bypassing of meter, consumption may be estimated on the basis of usage levels of similar customers and under similar conditions.

The Cooperative may charge a Tampering Fee that shall include a fee of \$125.00, a Trip Fee for each trip to the premises required, and a charge for all labor, material and equipment necessary to repair or replace all equipment damaged due to meter tampering or bypassing of meter and other costs necessary to correct service diversion where there is no equipment damage, including incidents where service is reconnected without authority.

- 204.8 Connect Fee.
A fee of \$25.00 will be charged for processing a request for each of a new meter, an additional meter or a security light.
- 204.9 **OPEN.**
- 204.10 Special Bill Handling Fee.
A fee of \$15.00 shall be charged each time the Cooperative manually prepares a bill, invoice for several billings or special bill analysis at the customer's request.
- 204.11 Load Data Fee.
Fees for special load data reports or computer data are as follows:

A. Peak summary, min/max report	\$20.00
B. Monthly interval data	\$30.00
- 204.12 Environmental Audit Fee.
A fee of \$100.00 shall be charged each time the Cooperative performs a field survey and documentation at customer's or landowner's request. Special reports and tests will be billed to the customer at actual cost.
- 204.13 Energy Audit Fee.
A fee of \$100.00 may be charged each time the Cooperative performs an energy audit at the request of the Customer if an energy audit has been previously

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performed by the Cooperative at the requested service location within the past twelve (12) months.

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301. Membership; Rights and Obligations.

301.1 Membership.

A Person shall become a member of the Cooperative upon satisfaction of each of the membership requirements in the Electric Cooperative Corporation Act (and any amendments and successor provisions thereto), the Cooperative's articles of incorporation and bylaws, this Tariff and any membership requirements otherwise established by the Cooperative's board of directors from time to time.

301.2 Membership Certificate.

The Cooperative shall issue a membership certificate to each member of the Cooperative. Acceptance of electric service from the Cooperative shall constitute the member's agreement to comply, as applicable, with the terms of the Electric Cooperative Corporation Act (and any amendments and successor provisions thereto), the Cooperative's articles of incorporation and bylaws, this Tariff and any other service rules and regulations established by the Cooperative's board of directors from time to time.

301.3 Agreement for Electric Service.

Upon Cooperative's request, a Customer shall enter into an Agreement for Electric Service for any service location where the Customer receives electric service from the Cooperative.

301.4 Easements.

Upon Cooperative's request, a Customer shall execute an easement and right-of-way agreement, in form and substance acceptable to the Cooperative, granting to the Cooperative, at Customer's expense, a satisfactory easement across lands owned or controlled by the Customer for purposes of the Cooperative providing Electric Service to Customer or any other customer of the Cooperative. In the event the Customer shall divide premises by sale in such manner that one part shall be isolated from streets or alleys where the Cooperative's electric lines are accessible, the Customer shall grant or reserve an easement for electric service over the part having access to electric lines for the benefit of the isolated part.

302. Establishment of Credit.

The Cooperative may require a Customer, regardless of the type of service applied for, to demonstrate and satisfactorily establish credit in accordance with the Cooperative's then existing credit requirements. The satisfactory establishment of credit shall not relieve a Customer of its obligation to comply with the provisions of this Tariff.

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- 302.1 Amount of Deposit.
The initial deposit for permanent residential, commercial or industrial service shall not exceed one-sixth (1/6) of estimated annual billings. The Cooperative may require an applicant for temporary service or seasonal service or service to weekend or intermittent use installations to pay a deposit sufficient to reasonably protect the Cooperative against the assumed risk for any of such services. The amount of deposit required by the Cooperative may be increased from time to time.
- 302.2 Reestablishment of Credit.
Every applicant who previously has been a Customer of the Cooperative and whose service has been discontinued for nonpayment 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 reestablish credit.
- 302.3 Credit History of a Spouse/Former Spouse.
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.
- 302.4 Payment History of Residential Applicant.
A residential applicant shall not be required to pay a deposit if the residential applicant has been a customer of any utility for the same kind of service within the last two (2) years and is not delinquent in payment of any such utility service account, and during the last twelve (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.
- 302.5 Satisfactory Credit Rating by Appropriate Means.
A residential applicant shall not be required to pay a deposit 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

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credit reference, the names of credit references which may be quickly and inexpensively contacted by the Cooperative, or ownership of substantial equity.

302.6 Written Guaranty in Lieu of a Deposit.

A residential applicant shall not be required to pay a deposit if the residential applicant furnishes in writing a guaranty agreement, in form and substance acceptable to the Cooperative, to secure payment of bills for the service required:

- A. The amount secured by the guarantor under the guaranty agreement shall be an amount equal to the amount of deposit the Cooperative would normally require from the applicant and shall be clearly indicated on such guaranty agreement.
- B. In the event that the Cooperative agrees to provide electric service to the applicant and said applicant thereafter timely pays for electric service provided by the Cooperative during a continuous twelve (12) month period (i.e., having no more than two delinquent payments) and has not been disconnected for nonpayment during said twelve (12) month period, then the Cooperative shall void and return the guaranty agreement to the guarantor.

302.7 Establishment of Credit by Customer.

An initial deposit may not be required from residential customers unless the customer has more than one occasion during the last twelve (12) consecutive months of service in which a bill for utility 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 ten (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 twelve (12) months. The customer may furnish in writing a satisfactory guarantee to secure payment of bills in lieu of cash deposit.

302.8 Written Deposit Information.

At the time a deposit is required, the Cooperative shall provide applicants for, and customers of commercial, industrial, or residential service written information about deposit.

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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.

302.9 Commercial and Industrial Service Deposits.

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.

302.10 Additional Deposits.

If actual billings of 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 twelve (12) month period, a new deposit may be required to be made within fifteen (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 twelve (12) month period, a new deposit may be required to be made within fifteen (15) days after issuance of written notice of termination and requested additional deposit. In lieu of additional deposit, the customer may pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous twelve (12) months.

302.11 Senior Citizen Deposits.

All applicants for permanent residential service who are sixty-five (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 utility or another utility for the same service which accrued within the last two (2) years. No cash deposit shall be required of such applicant under these conditions.

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302.12 Deposit Interest

If the Cooperative requires that a Customer pay a deposit, the Cooperative shall pay interest on such deposit at an annual rate at least equal to that set by the Public Utility Commission of Texas on December 1 of the preceding year, pursuant to Texas Utilities Code §183.003 (relating to Rate of Interest). If a deposit is refunded within thirty (30) days of the date of deposit, no interest payment is required. If the Cooperative keeps the deposit more than thirty (30) days, payment of interest shall be made retroactive to the date of deposit. Payment of the interest to the Customer shall be made annually, on or before December 31, or at the time the deposit is returned or credited to the Customer's account. All payments of interest will be made by applying a credit to the Customer's account. The deposit shall cease to draw interest on the date it is returned or credited to the Customer's account.

302.13 Deposit Records

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.

302.14 Deposit Receipts

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.

302.15 Unclaimed Deposits

A record of each unclaimed deposit must be maintained for at least four (4) years, during which time the Cooperative shall make a reasonable effort to return the deposit.

302.16 Refund of Deposits

When the customer has paid bills for service for twelve (12) consecutive residential billings or for twenty-four (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

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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.

302.17 Refund of Deposit During Service Period.

If a Customer has been required to make a deposit the Cooperative shall pay interest on such deposit in accordance with Section 302.12 of this Tariff.

303. Cooperative Action on the Application.

The Cooperative shall consider the offer to purchase electric service and act upon it within a reasonable time by either granting the application (conditionally, subject to these Service Rules and Regulations) or refusing service in accordance with this Tariff

303.1 Granting Application.

The Cooperative may grant an application by having its authorized officer or employee sign the Agreement For Electric Service on behalf of the Cooperative; or making electricity available at Customer's service location.

303.2 Refusal of Service.

A. Grounds for Refusal of Service.

The Cooperative may refuse service under any of the following circumstances:

(1) Credit.

The party requesting electric service fails to establish credit and refuses to make a deposit.

(2) Fulfillment of Conditions Precedent.

The party requesting electric service has failed or refused within a reasonable time to fulfill any condition precedent to performance (see Section 304.2).

(3) Indebtedness.

The party requesting electric service refused to pay any indebtedness to any utility having previously provided applicant with electric service.

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(4) Membership.

The party requesting electric service has failed or refused to pay the membership fee or qualify for membership in the Cooperative in accordance with the provisions of this Tariff, the Cooperative's articles of incorporation and bylaws, applicable law and any membership requirements otherwise established by the Cooperative's board of directors from time to time.

(5) Hazardous Condition.

It has come to the Cooperative's attention that the installation or equipment at the location where the party is requesting the Cooperative to deliver electric service is hazardous or of such character that satisfactory service cannot be given.

(6) False Name or Other Artifice.

The Cooperative believes that the party requesting electric service uses an alias, trade name, business name, the name of a relative or another person or other artifice to avoid payment of electric service bills.

B. Insufficient Grounds for Refusal to Serve.

The following shall not constitute sufficient cause for refusal of service to a present customer or a party requesting electric service:

- (1) Delinquency in payment for service by a previous occupant of the premises to be served;
- (2) Failure to pay for merchandise, or charges for non-utility service purchased from the utility;
- (3) Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application;
- (4) Violation of the Cooperative's rules pertaining to operation of nonstandard equipment or unauthorized attachments which interferes with the services of others, or other services such as communication services, unless the customer has first been notified and been afforded reasonable opportunity to comply with said rules;

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- (5) Failure to pay a bill of another customer as guarantor thereto unless the guarantee was made in writing to the utility as a condition precedent to service; and
- (6) Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill. A customer may request a supervisory review if the Cooperative determines that evasion has occurred and refuses to provide service.

304. Contract for Service.

Customer requests for electric service of the character and type provided by Cooperative are granted within the limitations of the applicable rate schedule for electric service, the availability of Cooperative facilities, the characteristics of Customer’s electrical load and these Service Rules and Regulations.

Cooperative may require special contractual arrangements, which may include additional charges, prior to Cooperative’s providing electric service if the electric service requested by Customer is not available at the service location, is other than that which Cooperative usually provides or if the service requested is not adequately compensated for by the applicable rate schedule.

The delivery of electric service by the Cooperative shall operate as an acceptance of the offer to purchase electric service. Any Customer taking electric service from Cooperative, in consideration of the Cooperative’s supplying electric service, (i) is bound by the provisions of this Tariff, the Cooperative’s articles of incorporation and bylaws, any applicable laws, and any service rules and regulations established by the Cooperative’s board of directors from time to time, and (ii) is liable to Cooperative for payment for such electric service under the applicable rate schedule.

304.1 Terms of Contract.

The terms of the contract are the provisions of the Agreement For Electric Service (if required by the Cooperative), the service rules and regulations of the Cooperative, the applicable rate schedule (including this Tariff), the Cooperative’s articles of incorporation and bylaws, and any applicable easement.

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304.2 Conditions to be Fulfilled by Applicant or Customer.

As conditions precedent to the performance or obligation to perform any part of the contract for electric service by the Cooperative or the provision of any electric service Customer shall:

A. Comply with the Law.

Customer warrants to the Cooperative that he or she has complied with all Federal, State, County, and Municipal regulations governing the service applied for and shall remain in compliance. The Cooperative does not undertake to determine if Customer is in compliance with the law and the provision of service shall not be construed as any indicia of compliance; however, the Cooperative may require a copy of any approval required by law, ordinance or regulation prior to the provision of service or may refuse or discontinue service if Customer fails or refuses to comply with applicable state and municipal regulations;

And

B. Comply with Service Rules.

Applicant/Customer shall comply with the Service Rules and Regulations of the Cooperative governing the service applied for;

And

C. Customer's Installation.

Customer warrants to the Cooperative that Customer's installation is constructed in accordance with the latest revision of the National Electrical Code published by the National Fire Protection Association and/or the latest revision of the National Electrical Safety Code published by the Institute of Electrical and Electronics Engineers, Inc., as well as other Codes that may be applicable. Customer further warrants to the Cooperative that Customer's installation will be maintained in accordance with such Codes. The Cooperative does not undertake to determine if Customer's installation complies with such standards and the provision of service shall not be construed as any indicia of compliance; however, should it come to the attention of the Cooperative that Customer's installation does not conform to such standards, Customer may be required to conform prior to the provision of service or the Cooperative may discontinue service;

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And

D. Easement.

Customer shall grant or secure to the Cooperative at Customer's expense an easement, in form and substance acceptable to the Cooperative for purposes of the Cooperative providing Electric Service to Customer or any other customer of the Cooperative. In the event the Customer is not able, after reasonable attempts, to secure an easement acceptable to the Cooperative and the Cooperative otherwise acquires an easement, then Customer shall reimburse the Cooperative for all costs therefor;

And

E. Construction Costs.

Customer shall fulfill all obligations for the payment of construction costs in the manner prescribed in service rules and regulations governing line extensions.

304.3 Assignment of Contract.

The Customer shall not assign the Agreement For Electric Service or any of Customer's rights or obligations thereunder except by written consent of the Cooperative and in compliance with the Articles and Bylaws of the Cooperative. The Agreement For Electric Service shall inure to the benefit of the Cooperative's assigns.

304.4 Modification by the Parties.

The contract for electric service may be modified by the agreement of both the Cooperative and the Customer if such agreement is made in writing and signed by both parties.

305. Line Extension.

305.1 General Policy.

The Cooperative extends its distribution facilities to Customers in accordance with the following line extension provisions. Each provision classifies the predominant type of electric service/use anticipated on Customer's premises and specifies conditions under which a line extension may be made. For each location where electric service is desired, Customer's classification involves an evaluation of the type of installation and its use. Customer's classification shall be determined by the

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Cooperative. In the event that the classification assigned by the Cooperative is incorrect based upon Customer's subsequent actual use of the installation then the Cooperative may alter Customer's classification and apply the correct line extension classification, making appropriate adjustment to the Customer's account or billing.

305.2. Permanent Residential Service.

The Cooperative will construct a new extension of its overhead or underground distribution system to serve a permanent residential installation under the following provisions:

A. Applicability.

To qualify as an extension to a permanent residential installation the location where Customer is requesting service shall:

- (1) be a permanent installation; and
- (2) be a single or multi-family residence; and
- (3) if located within a residential development or mobile home park, the developer must have complied with the residential development or mobile home park line extension policy of the Cooperative and paid all aid to construction required therein.

B. Point of Delivery.

The Cooperative extends its electric facilities only to the Point of Delivery (as defined in Section 307 of this Tariff). Customer shall install and be solely responsible for wiring of the installation and all service entrance wiring through the weatherhead and the meter base to customer's main disconnect switch or service center.

C. Facilities Charge.

- (1) The Cooperative shall estimate the actual cost for the line extension based on current unit material and labor costs for the same type of construction in the most recent data available. The actual cost is the total cost of all construction including not only the labor and materials used in constructing the extension, but also engineering, right-of-way

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acquisition and clearing, and all other costs directly attributable to the extension.

- (2) There will be no charge to the Customer for the first \$1800.00 of estimated cost of making the extension and such amount shall be the Cooperative's obligation. The Customer shall be required to pay in advance of construction as aid to construction the estimated cost of the extension in excess of such amount.

D. Contract Term.

Where a line extension is required to provide service, the Cooperative may require Customer to sign an Agreement For Electric Service for a term of up to five (5) years.

E. System Benefit Charge.

A non-refundable charge of \$150.00 will be collected for extending service to a new location. This amount represents a contribution in aid of construction toward the Cooperative's System Cost associated with substation and distribution backbone facilities.

305.3 Other Residential.

The Cooperative will construct a new extension of its overhead or underground distribution system to serve other residential installation under the following provisions:

A. Applicability.

To qualify as an extension to other residential class installations the location where the Customer is requesting service shall:

- (1) be a residence or dwelling unit not qualifying as a permanent installation; or
- (2) be a barn, shop, water well, gate opener, or other service that is not used for any commercial purpose.

B. Point of Delivery.

The Cooperative extends its electric facilities only to the Point of Delivery (as defined in Section 307 of this Tariff). Customer shall install and be solely responsible for wiring of the installation and all service entrance wiring

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through the weatherhead and the meter base to Customer's main disconnect switch or service center.

C. Facilities Charge.

(1) The Cooperative shall estimate the actual cost for the line extension based on current unit material and labor costs for the same type of construction in the most recent data available. The actual cost is the total cost of all construction including not only the labor and materials used in constructing the extension, but also engineering, right-of-way acquisition and clearing, and all other costs directly attributable to the extension.

(2) There will be no charge to the Customer for the first \$600.00 of estimated cost of making the extension and such amount shall be the Cooperative's obligation. The Customer shall be required to pay in advance of construction as aid to construction the estimated cost of the extension in excess of such amount.

D. Contract Term.

Where a line extension is required to provide service, the Cooperative may require Customer to sign an Agreement For Electric Service for a term of up to five (5) years.

E. System Benefit Charge.

A non-refundable charge of \$150.00 will be collected for extending service to a new location. This amount represents a contribution in aid of construction toward the Cooperative's System Cost associated with substation and distribution backbone facilities.

305.4 Other Line Extensions.

The Cooperative will construct a new extension of its overhead or underground distribution system to serve all other permanent installations under the following provisions:

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A. Applicability.

To qualify for an extension under this section 305.4, the location where Customer is requesting service shall:

- (1) be a permanent installation, and
- (2) be classified as commercial, industrial, or public building installation; and
- (3) if located within a commercial development, the developer must have complied with the commercial development line extension policy of the Cooperative and paid all aid to construction required therein.

B. Point of Delivery.

The Cooperative extends its electric facilities only to the Point of Delivery (as defined in Section 307 of this Tariff). Customer shall install and be solely responsible for wiring of the installation on Customer's side of the point of delivery.

C. Facilities Charge.

- (1) The Cooperative shall estimate the cost for the line extension based on current unit material and labor costs for the same type of construction. The estimated cost is the estimated total cost of all construction including not only the labor and materials used in constructing the extension, but also engineering right-of-way acquisition and clearing, overhead, and all other costs attributable to the extension.
- (2) A contribution in aid of construction for provision of electric service is required if the estimated annual revenue from Customer, excluding Purchased Power Cost, is less than the revenue requirement associated with the Cooperative's system and direct investment costs of providing service to Customer. The amount of the customer's contribution in aid of construction shall be determined by the following formula. If the amount calculated below is zero or negative, no contribution in aid of construction is required for provision of electric service.

Cooperative's Allowable Investment (CAI) = Annual Revenue / Return Factor
Total Project Cost (TPC) = Direct Cost + System Cost

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Customer's Contribution = TPC - CAI

Where:

Direct Cost = The cost of distribution or transmission facilities necessary to provide electric service to the Customer, determined by estimating all necessary expenditures, including, but not limited to overhead distribution facilities, metering and rearrangement of existing electrical facilities. This cost includes only the cost of the above-mentioned facilities that are necessary to provide service to the particular customer requesting service and does not include the costs of facilities necessary to meet future anticipated load growth, or to improve the service reliability in the general area for the benefit of existing and future customers.

System Cost = Cooperative's average allocated investment costs and rate base items associated with transmission backbone facilities, distribution substation facilities and distribution backbone facilities as determined from the Cooperative's most recent cost of service study.

Annual Revenue = Annual revenue from the Customer computed using estimated billing units less the estimated annual cost of purchased power.

Return Factor = The fixed charge rate, including O&M, Depreciation, Taxes and a return on investment, necessary to convert an annual revenue stream to the total revenue associated with the life of the project.

- (3) The Cooperative shall require payment of the total required customer contribution in aid of construction before beginning construction.
- (4) For Customer's with loads greater than 1000 kW the Cooperative shall exercise prudent judgment in determining the conditions under which a specific line extension will be made and shall view each case individually. The Cooperative shall analyze costs to provide service

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and base facilities chargers on the rate of return generated by the rate design. Special contractual arrangements will be made with the customer and may include contribution in aid of construction in advance of construction, special rate charges designed to recover cost to provide service, special contract minimums, special service specifications, special contract terms greater than five (5) years, or other arrangements or conditions deemed reasonable by the Cooperative. All amounts paid to the Cooperative as contribution in aid of construction shall be non-refundable.

D. Contract Term.

Where a line extension is required to provide service, the Cooperative may require Customer to sign an Agreement For Electric Service or a term of up to five (5) years, provided, however, that an agreement for a longer term may be required in accordance with Section 305.4(C)(4) above.

E. System Benefit Charge.

A non-refundable charge of \$150.00 will be collected for extending service to a new location. This amount represents a contribution in aid of construction toward the Cooperative's System Cost associated with substation and distribution backbone facilities.

305.5 Residential Developments.

A. Applicability

The Cooperative will construct a new extension of its overhead or underground distribution system to provide service within residential developments when five or more contiguous lots are scheduled for immediate development, under the following conditions:

- (1) The development is a platted residential subdivision to be primarily used or developed for permanent single or multi-family residential dwelling units;
- (2) The development has an approved water and sewer system and improved roads;

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- (3) The land developer shall become a member, establish credit, execute an electric service agreement, and comply with all other applicable provisions of the Service Rules and Regulations of the Cooperative;
- (4) The development, in the Cooperative's judgment, is not unduly speculative and will be developed in a planned manner;
- (5) The Cooperative at its sole discretion may install either a front or rear lot system; and
- (6) The developer provides at no cost to the Cooperative:
 - (a) Right-of-way easements and covenants on owner's property that are satisfactory to the Cooperative;
 - (b) Site plans (streets, wet utilities, mechanical, electrical, plumbing, and landscaping plans, etc.), notice of construction start dates and construction schedules that are reasonable and industry typical for the type of work to be performed; and
 - (c) Survey points for grades, lot corners, street ROW, and other locations reasonably necessary for installation of the electric system.

B. Facilities Charge

- (1) The Cooperative shall estimate the actual cost for the electric facilities including primary, secondary, electric equipment and devices, service lines and metering, required for service to the development, based on current unit material and labor costs for the same type of construction in the most recent data available. The actual cost is the total cost of all construction including not only the labor and materials used in constructing the extension, but also engineering, right-of-way acquisition and clearing, and all other costs directly attributable to the extension.
- (2) There will be no charge to the developer for the first \$1800.00 per lot of estimated cost for service to the development and such amount shall be the Cooperative's obligation. The developer shall be required to pay

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in advance of construction as aid to construction the estimated cost in excess of such amount.

- (3) The cost of underground or overhead service lines for each residential meter location, installed as homes are constructed, in excess of 100 feet will be paid by the developer, home builder, or customer prior to installation of the service line. Any additional cost experienced by the Cooperative for bores, hand digging or other construction required due to placement of obstacles by the developer or home builder will be paid by the developer, home builder, or customer.
- (4) The Cooperative will install street lighting as requested by the developer and as required to meet local lighting regulations. The developer will be required to pay one hundred percent (100%) of the estimated cost of the street lighting facilities in advance of construction. Street lighting facilities will include poles, fixtures, controls, conduit, wiring, and other electric equipment and devices required for the lighting system. Estimated cost for the lighting system shall mean the total cost of all construction including not only the labor and materials used in construction but also engineering, right of way acquisition and clearing, and all other costs directly attributable to the installation.
- (5) A non-refundable charge of \$150.00 will be collected at the time the service line is requested for each residential meter location for extending service to a new location. This amount represents a contribution in aid of construction toward the Cooperative's System Cost associated with substation and distribution backbone facilities.
- (6) All amounts paid to the Cooperative for construction shall be non-refundable.

305.6 Mobile Home Developments.

A. Applicability.

The Cooperative will construct a new extension of its overhead or underground distribution system to provide service within mobile home developments when five or more contiguous lots are scheduled for immediate development, under the following conditions:

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- (1) The development is a platted residential subdivision to be primarily used or developed for permanent mobile home dwelling units as opposed to travel trailers;
- (2) The development has an approved water and sewer system and improved roads;
- (3) The land developer shall become a member, establish credit, execute an electric service agreement, and comply with all other applicable provisions of the Service Rules and Regulations of the Cooperative;
- (4) The development, in the Cooperative's judgment, is not unduly speculative and will be developed in a planned manner;
- (5) The Cooperative at its sole discretion may install either a front or rear lot system;
- (6) The Cooperative will furnish and install a meter base for each mobile home site and the metering location will be at the front or rear of each lot adjacent to the primary line route unless otherwise specified by the Cooperative at its sole discretion.
- (7) The developer will provide at no cost to the Cooperative:
 - (a) Right-of-way easements and covenants on owner's property that are satisfactory to the Cooperative;
 - (b) Site plans (streets, wet utilities, mechanical, electrical, plumbing, and landscaping plans, etc.), notice of construction start dates and construction schedules that are reasonable and industry typical for the type of work to be performed.
 - (c) Survey points for grades, lot corners, street ROW, and other locations reasonably necessary for installation of the electric system.
 - (d) Adequate disconnects, circuit breakers and receptacles at each mobile home meter location.

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- (e) Secondary service lines from the meter location to the mobile home.

B. Facilities Charge

- (1) The Cooperative shall estimate the actual cost for the electric facilities including primary, secondary, electric equipment and devices, service lines and metering, required for service to the development, based on current unit material and labor costs for the same type of construction in the most recent data available. The actual cost is the total cost of all construction including not only the labor and materials used in constructing the extension, but also engineering, right-of-way acquisition and clearing, and all other costs directly attributable to the extension.
- (2) There will be no charge to the developer for the first \$1500.00 per lot of estimated cost for service to the development and such amount shall be the Cooperative's obligation. The developer shall be required to pay in advance of construction as aid to construction the estimated cost in excess of such amount. The Cooperative may reduce this allowance if the Cooperative determines in its sole judgment that the life of the mobile home development is less than thirty (30) years.
- (3) The Cooperative will install street lighting as requested by the developer and as required to meet local lighting regulations. The developer will be required to pay one hundred percent (100%) of the estimated cost of the street lighting facilities in advance of construction. Street lighting facilities will include poles, fixtures, controls, conduit, wiring, and other electric equipment and devices required for the lighting system. Estimated cost for the lighting system shall mean the total cost of all construction including not only the labor and materials used in construction but also engineering, right of way acquisition and clearing, and all other costs directly attributable to the installation.
- (4) A non-refundable charge of \$150.00 will be collected at the time the service is requested for each residential meter location for extending service to a new location. This amount represents a contribution in aid

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of construction toward the Cooperative's System Cost associated with substation and distribution backbone facilities.

- (5) All amounts paid to the Cooperative for construction shall be non-refundable.

305.7 Commercial Developments.

A. Applicability.

The Cooperative will construct a new extension of its overhead or underground distribution system to provide service within commercial developments where developer requests electric infrastructure to be installed in advance of development of a site or lot by a customer, under the following conditions:

- (1) The development is a platted commercial development with sites or lots for multiple customers to be primarily used or developed for permanent commercial, industrial, retail, and/or office customers;
- (2) The land developer shall become a member, establish credit, execute an electric service agreement, and comply with all other applicable provisions of the Service Rules and Regulations of the Cooperative;
- (3) The development, in the Cooperative's judgment, is not unduly speculative and will be developed in a planned manner;
- (4) The developer will provide at no cost to the Cooperative:
 - (a) Right-of-way easements and covenants on owner's property that are satisfactory to the Cooperative;
 - (b) Site plans (streets, wet utilities, mechanical, electrical, plumbing, and landscaping plans, etc.), notice of construction start dates and construction schedules that are reasonable and industry typical for the type of work to be performed.
 - (c) Survey points for grades, lot corners, street ROW, and other locations reasonably necessary for installation of the electric system.

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- (5) Line extensions to each customer within the development will be according the terms and conditions in section 305.4 – Other Line Extensions.

B. Facilities Charge.

- (1) The Cooperative shall estimate the actual cost of the electric infrastructure required by the developer in advance of development of a site or lot by a customer based on current unit material and labor costs for the same type of construction. The estimated cost is the estimated total cost of all construction including not only the labor and materials used in constructing the extension, but also engineering right-of-way acquisition and clearing, overhead, and all other costs attributable to the extension.
- (2) The developer will be required to pay in advance one hundred percent (100%) of the estimated actual cost of such electric infrastructure. The Cooperative at its sole discretion may accept other guarantee or contractual arrangement in lieu of cash payment.
- (3) For each new customer connected to the electric infrastructure within the development, the developer will be entitled to a refund of the amount paid in advance if the estimated annual revenue from the customer, excluding Purchased Power Cost, is more than the revenue requirement associated with the Cooperative’s system and direct investment costs of providing service to the customer. The amount of the developer’s refund shall be determined by the following formula. If the refund amount calculated below is less than \$100.00 or negative, no refund will be paid.

$$\begin{aligned} \text{Cooperative's Allowable Investment (CAI)} &= \text{Annual Revenue} / \text{Return Factor} \\ \text{Total Project Cost (TPC)} &= \text{Direct Cost} + \text{System Cost} \\ \text{Developer's Refund} &= \text{CAI} - \text{TPC} \end{aligned}$$

Where:

Direct Cost = The cost of distribution or transmission facilities necessary to provide electric service to the Customer, determined by

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estimating all necessary expenditures, including, but not limited to overhead distribution facilities, metering and rearrangement of existing electrical facilities. This cost includes only the cost of the above-mentioned facilities that are necessary to provide service to the particular customer requesting service and does not include the costs of facilities necessary to meet future anticipated load growth, or to improve the service reliability in the general area for the benefit of existing and future customers.

System Cost = Cooperative's average allocated investment costs and rate base items associated with transmission backbone facilities, distribution substation facilities and distribution backbone facilities as determined from the Cooperative's most recent cost of service study.

Annual Revenue = Annual revenue from the Customer computed using estimated billing units less the estimated annual cost of purchased power.

Return Factor = The fixed charge rate, including O&M, Depreciation, Taxes and a return on investment, necessary to convert an annual revenue stream to the total revenue associated with the life of the project.

(4) No additional refunds will be paid to the developer when the sum of the refunds paid to date equals the amount of the original developer contribution. The Cooperative at its sole discretion may designate a time limit on availability of refund of the original contribution. Developer refunds will be paid only upon notification by the developer of a refund due and will be paid within a reasonable time after notification by the developer and verification by the Cooperative.

(5) The Cooperative will install street lighting as requested by the developer and as required to meet local lighting regulations. The developer will be required to pay one hundred percent (100%) of the estimated cost of the street lighting facilities in advance of construction. Street lighting facilities will include poles, fixtures, controls, conduit, wiring, and other electric equipment and devices

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required for the lighting system. Estimated cost for the lighting system shall mean the total cost of all construction including not only the labor and materials used in construction but also engineering, right of way acquisition and clearing, and all other costs directly attributable to the installation.

- 305.8 Underground Service.
The Cooperative will provide underground facilities to serve any type of permanent installation, provided the soil and terrain are adaptable for underground facilities.
- 305.9 Temporary Service.
In any circumstance where the need for electric service may be for a period of less than two (2) years the Cooperative shall charge and Customer shall pay one hundred percent (100%) of the actual cost of construction plus the cost of removal less salvage value.
- 305.10 Area Lighting/Security Lighting.
The Cooperative will construct 1 span of overhead secondary extension utilizing wood poles to serve a security light without charge to the Customer. Customer will pay in advance as non-refundable aid to construction the estimated cost of all overhead construction in excess of 1 span of secondary extension utilizing wood poles. For underground services to security lighting, the Customer will pay in advance as a non-refundable aid-to-construction the estimated cost of the underground service plus the cost of the poles and fixtures utilized for the underground lighting service, less the estimated cost of construction utilizing overhead secondary, wood poles, and conventional bowl type fixtures. The Cooperative will design and install, and may modify from time to time, its security lighting installations to comply with municipal or other regulatory authority lighting ordinances, rules, regulations and/or policies. The Cooperative may require a Customer to pay a non-refundable aid-to-construction equal to the cost of a photometric study, if such a study is required by a municipality or other regulatory authority, in advance of the Cooperative's installation of area lighting and/or security lighting.
- 305.11 Line Clearance.
The Cooperative will assist in the transportation of oversized objects through the area or in the construction of buried pipelines or other objects with the Cooperative's right-of-way by temporarily de-energizing Cooperative facilities or

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temporarily relocating or raising electric facilities provided that the Cooperative receives compensation for all actual costs incurred.

A. Actual cost shall mean:

- (1) Total cost of all costs including but not limited to labor, materials used, engineering, right of way acquisition and clearing;
- (2) Cost for vehicles used including mileage; and
- (3) Cost for Cooperative employees involved.

305.12 Ownership of Distribution Facilities.

The Cooperative shall retain the ownership of all material and facilities installed by the Cooperative for the distribution of electric energy whether or not the same have been paid for by the Customer. All lines and facilities constructed or installed by the Cooperative are the property of the Cooperative

305.13 Aid to Construction Based on Estimated Costs

When estimated costs are used to determine the contribution paid by the Customer, if the estimated cost exceeds actual cost (estimated and actual costs, as defined in this Tariff) by more than thirty percent (30%) of actual cost, the difference between actual and estimated cost will be refunded to the Customer.

305.14 No Refund of Aid to Construction.

Payments necessary for construction of facilities which will be used by the Customer are contributions in aid of construction and are not refundable.

305.15 Deferred Payment Plan.

The Cooperative may at its option enter into a deferred payment plan with Customer for all or a portion of any amount required to be paid as aid-to-construction.

305.16 Relocation of Facilities.

A. The Cooperative will relocate its facilities on Customer's premises at Customer's request provided Customer has (1) provided a satisfactory easement for the new facilities; (2) paid in advance an estimate of all costs for

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the removal of the old facilities, less salvage value, and all costs for the construction of new facilities.

- B. If the Cooperative determines it is necessary to move its facilities because Customer fails or refuses to allow the Cooperative access to Cooperative's facilities at any time then Customer may be billed the actual cost of relocation.
- C. The Cooperative will replace an existing overhead electric line with an underground line upon request of a Customer, land owner, other party, provided, however, that Cooperative has (1) determined in its sole discretion that such replacement does not adversely impact electric service reliability or the Cooperative's operating efficiencies, (2) received an adequate easement(s), in form acceptable to the Cooperative, for the construction, installation, maintenance, operation, replacement and/or repair of the underground facilities, at no cost to the Cooperative, and (3) received payment in advance of the commencement of such replacement for all costs of removal of the overhead facilities, less salvage value, and the full amount of the Cooperative's estimated cost for the construction and installation of the new underground facilities.

306. Meters.

306.1 Location and Installation of Meter.

- A. Meters and service switches in conjunction with the meter shall be installed in accordance with the latest revision of American National Standards Institute, Incorporated Standard C12 (American National Code for Electricity Metering), and will be readily accessible for reading, testing and inspection, and where such activities will cause minimum interference and inconvenience to the Customer. Customer shall provide, at a suitable and easily accessible location, sufficient and proper space for installation of meters and other apparatus of the Cooperative.
- B. The Customer may be required to furnish and install, without cost to the Cooperative, other necessary metering equipment including: (1) meter board, (2) meter loop, (3) meter rack, (4) metering enclosure, (5) safety service switches, (6) adequate earth ground, (7) an adequate anchor for service drops.

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- C. Where a Customer requires service ampacity greater than 200 amps, or service voltage greater than 240 volts, the Cooperative may require that Customer, at Customer's cost, furnish, install and maintain a load break disconnect switch. Such load break disconnect switch shall be installed in a location outside the Customer's building or other structure(s) that is readily accessible to Cooperative personnel, and Cooperative personnel shall have the right to open the load break disconnect switch and secure it in the open position with a Cooperative locking device for the purpose of interrupting service in accordance with the terms and conditions of this Tariff.
- D. If requested by a Customer, or made necessary by conditions on the Customer's premises, the Cooperative will relocate its meter on the Customer's premises, and the Customer shall provide and have installed at its own expense, all wiring and other equipment necessary or advisable to facilitate the Cooperative's relocation of the meter.

306.2 Type of Meter and Ownership of Meter.

The Cooperative shall provide, install, own, and maintain all meters necessary for the measurement of electrical energy. Such meters shall be of a standard type which meet industry standards, however, special meters not conforming to such standards may be used for investigation or experimental purposes.

306.3 Limitation of Service from Single Meter.

One residence and one residence only may be served from one meter. Each meter shall require either a membership in the Cooperative or an auxiliary service. No business shall be served off a meter serving a residence, unless the residence and business are combined under a single roof.

307. Point of Delivery.

- A. The Customer may indicate its preference for the location of the Point of Delivery and must provide Service Entrance Conductors and any other receptacle that is necessary or advisable for the receipt of electric energy. The Cooperative shall establish the location of the Point of Delivery in accordance with the terms and conditions of this Tariff, the National Electric Safety Code, and the then-standard operating practices of the Cooperative. The Point of Delivery shall be outside the Customer's building or other structure(s), except as may be authorized by the Cooperative in accordance with Section 307(D) below, and shall be at a location which will facilitate connection to the Cooperative's Distribution System in

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accordance with the National Electric Safety Code and the then-standard operating practices of the Cooperative.

All electrical equipment, devices and conductors on the load side of the Point of Delivery, except the Cooperative's electric metering equipment, regardless of whether it is furnished by the Cooperative, shall be installed, owned, maintained, repaired, and replaced by the Customer. All electrical equipment, devices and conductors on the source side of the Point of Delivery shall be installed, owned, maintained, repaired, and replaced by the Cooperative.

- B. The Point of Delivery for a single or multi-metered service installation with meter base(s) located outside the Customer's building or other structure(s) shall be the load end of the Cooperative's service conductors located at a point outside the Customer's building or other structure(s) designated by the Cooperative. The Customer shall provide a secondary termination device, in accordance with the National Electric Safety Code and the then-standard operating practices of the Cooperative, suitable for termination of the Cooperative's and the Customer's conductors.
- C. The Point of Delivery for a service installation with the meter located at or on the Cooperative's transformer shall be the secondary terminals of the Cooperative's transformer.
- D. Meter base(s) may be located inside the Customer's building or other structure(s) in a designated electrical meter equipment room, subject to approval by the Cooperative, in its sole discretion, and according to applicable safety codes, and provided Cooperative personnel have unrestricted access to such room. The Point of Delivery for a single or multi-metered service installation with meter base(s) located inside the Customer's building or other structure(s) in a designated electrical meter equipment room shall be the secondary terminals of the Cooperative's transformer located outside such building or other structure(s).

308. Initiation of Service.

Electric service is provided to customers in the Cooperative's certificated area who have satisfactorily established credit and fulfilled all conditions precedent. Normally, as a service objective, the Cooperative attempts to make service available within the following guidelines:

- A. Within seven (7) working days if no line extension or new facilities are required.

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- B. Within ninety (90) days for permanent residential service requiring a line extension or other facilities unless unavailability of materials causes unavoidable delay.
- C. Extensions to other customer classes requiring line extensions may take longer than ninety (90) days.
- D. If a line extension is required by other than a large industrial or commercial electric customer or if facilities are not available, the Cooperative shall inform the customer within ten working days of receipt of the application, giving the customer an estimated completion date.
- E. Any construction cost options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants shall be explained to the customer following assessment of necessary line work.

320. Electric Energy.

320.1 Delivery of Electric Energy.

If Customer has satisfied and continues to satisfy all conditions and perform all obligations contained in the foregoing service rules, the Cooperative shall provide electric energy to Customer at the point of delivery. The Cooperative may, however, limit the amount of electric energy furnished.

320.2 Characteristics of Electric Energy.

A. Voltage.

The Cooperative adopts the following standard voltages for distribution:

<u>Overhead Primary Service</u>		<u>Underground Primary Service</u>	
<u>Single Phase</u>	<u>Three Phase</u>	<u>Single Phase</u>	<u>Three Phase</u>
120/240	120/208	120/240	120/208
240/480	120/240		277/480
	240		
	480		
	277/480		

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Customer should obtain from the Cooperative the phase and voltage of the service available before committing to the purchase of motors or other equipment.

B. Frequency.

The Cooperative's wholesale power supplier controls the frequency of current provided by the Cooperative. Generally, the Cooperative provides alternating current at a standard frequency of 60 cycles per second. Except for infrequent and unavoidable fluctuations, this standard is usually maintained within one-tenth (1/10) of a cycle per second.

321. Method of Providing Service.

321.1 Overhead Service Drop.

Electric service is generally available to Customers throughout the Cooperative's service area from overhead distribution facilities. The Cooperative, however, may refuse to provide overhead service in any area where the Cooperative has or expects substantial investment in underground distribution facilities. To receive overhead service Customer must install a suitable bracket for attachment of Cooperative conductors in compliance with the National Electrical Safety Code.

321.2 Underground Electric Service.

Electric service from underground distribution facilities is available to a Customer who meets the requirements of this Tariff. In areas served by the Cooperative's underground distribution system phase and voltage of electric service may be limited to that which can be provided from existing facilities. Underground conductors are usually connected to the Cooperative's overhead distribution facilities at a location outside the Customer's premises or at a suitable location on Customer's premises. The location and routing of underground distribution facilities is determined by the Cooperative. Customer may be required to provide at his/her expense pads for padmounted transformers, conduit and other associated equipment prior to commencement of construction. Before the installation of underground distribution facilities, Customer will complete rough site grading, establish final grade along conductor route, expose to view any underground installation including gas lines, water lines, wastewater lines, communication lines, etc., and clear the area of all obstructions. No change shall be made in the grade along the conductor route without the consent of the Cooperative. Any change in grade which requires lowering electrical conductors is at the expense of the Customer.

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321.3 Mobile Home Parks.

In mobile home parks and similar installations the Cooperative provides electric service through individual meters to each space for each consuming facility. Either underground or overhead service may be provided.

321.4 Multi-Family Residences.

Electric service is provided through individual meters for each living unit. The Cooperative makes connections of its conductors to Customer's conductors only at the point of delivery.

322. Continuity of Electric Service.

322.1 Reasonable Diligence.

The Cooperative uses reasonable diligence under standard utility practices to provide continuous and adequate service in accordance with the standards set forth in these rules but does not warrant or represent that irregularities or interruptions will not occur.

322.2 Service Interruptions.

Service interruptions may occur. Customer is responsible for installing and maintaining protective devices as are recommended or required by the most current edition of the National Electrical Code and other such devices as are necessary or advisable to protect Customer's equipment or process during irregular or interrupted service including, but not limited to, voltage and wave form irregularities, or the failure of part or all of the electrical service. When interruptions do occur the Cooperative shall re-establish service as soon as practicable.

The Cooperative may interrupt service to provide necessary civil defense or other emergency service in the event of a national emergency or local disaster. The Cooperative may also interrupt service as necessary for maintenance, repairs, construction, moving of buildings or oversized objects, relocation or changes of facilities, to prevent or alleviate an emergency which may disrupt operation of all or any portion of the Cooperative's system, to lessen or remove risk of harm to life or property, to aid in the restoration of electric service, and on occasions when the Cooperative's wholesale power suppliers, or any of them, fails to deliver sufficient power and/or energy to the Cooperative.

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322.3 Service Irregularities.

Irregularities in service such as voltage surges may occur. Customer is responsible for installing and maintaining devices which protect his/her installation, equipment, and processes during such service conditions.

322.4 Investigation of Service Interruptions and Irregularities.

The Cooperative makes reasonable investigation of service interruptions and irregularities reported by a Customer. Such investigation normally terminates at the point of delivery. If standard service voltage exists at this point and the Cooperative's service facilities are in good condition the Customer shall be so advised. The Cooperative shall not be obligated to inspect Customer's conductors, installation, or equipment.

322.5 Liability, Indemnity. and Disclaimer of Warranties.

A. Liability/Indemnity.

Cooperative is responsible for design, construction, operation, and maintenance of electric service facilities up to and including the Point of Delivery. Customer is responsible for design, construction, operation, and maintenance of Customer's installation beyond the Point of Delivery and has sole control and supervision over Customer's installation. It is particularly understood that the Customer assumes full responsibility for electric energy furnished to Customer at and past the point of delivery and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for damages including but not limited to injuries to any persons, including death resulting therefrom, and damages to property occurring upon the premises to the Customer arising from electric power and energy delivered by Cooperative whether or not caused by the negligence of the Cooperative except when the negligence of Cooperative or its agents or agents was the sole proximate cause of such injuries, death of persons or damages to property.

Except to the extent injuries or damage have been caused by the Cooperative's negligence or willful misconduct as provided in this section it is the express intention of Customer to indemnify the Cooperative for the consequences of its own negligence. Without limiting the foregoing, Cooperative is not and shall not be liable to Customer for damages occasioned by: (A) irregularities or interruptions (of any duration), or failure to commence electric service, caused in whole or in part by (1) governmental or municipal action or authority, litigation, public enemies, strikes, acts of God (including weather

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and its resulting consequences), (2) an order of any Court or Judge granted in any bona fide adverse legal proceeding or action or any order of any commission or tribunal having jurisdiction in the premises, (3) situations or conditions described in the second paragraph of Section 322.2 of this Tariff, (4) the absence, inadequacy or failure of protective devices which are the responsibility of the Customer, (5) inadequacy or failure of generation or transmission facilities, or (6) any other act or thing reasonably beyond the control of Company or as may be authorized elsewhere in this Tariff For Electric Service; or (B) any interruption of service not occasioned by situations or conditions described in (A) above that has not existed continuously for beyond a reasonable period of time after notice to Cooperative, which reasonable period shall under no circumstances be less than twenty-four (24) hours or any interruption of service of greater than a reasonable duration if the Cooperative has used reasonable diligence in attempts to restore electric service after the Cooperative is notified of such interruption.

Cooperative may perform voluntary or emergency acts to electric facilities which are the responsibility of the Customer but shall have no liability for damages or injuries resulting from said acts except to the extent that said damages or injuries are proximately caused by acts or omissions of the Cooperative which are found to be wanton or willful with the intent to cause injury.

In any claim or cause of action relating to the provision of electric service asserted by Customer or any other person against Cooperative, Cooperative shall not be liable for any consequential, special, or non-direct damages, including but not limited to loss of use of equipment, extra expense due to the use of temporary or replacement equipment, loss of electronic data or program, loss of business revenue, costs of capital, or any cost not part of necessary repair to or reasonable replacement of electric equipment whether the claim or cause of action is based upon contract, tort, negligence, products liability, or any other theory of recovery.

- B. Disclaimer of Warranties.
COOPERATIVE MAKES NO WARRANTIES WHATSOEVER WITH REGARD TO THE PROVISION OF ELECTRIC SERVICE AND DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED,

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INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

323. Customer's Receipt and Use of Electric Energy.

323.1 Receipt of Electric Energy.

A. Exclusive Use.

When electric service is available, Customer shall purchase from the Cooperative all electric energy and service required to be used by Customer from a single consuming installation.

Customer may not connect his lines to another source of electric energy in a manner that may permit electric energy to flow into Cooperative's system from such source without a written agreement with the Cooperative.

B. Customer's Installation.

Customer shall at all times maintain his/her installation in accordance with the latest revision of the National Electrical Code published by the National Fire Protection Association and/or The National Electrical Safety Code published by the Institute of Electrical and Electronics Engineers, Inc. as well as other applicable standards that may be imposed by law, ordinance or regulation.

323.2 Customers Use of Electric Energy.

A. Permitted Uses.

Electric energy provided through Cooperative facilities shall be used by Customer exclusively for the purpose or purposes specified in the availability clause of the rate schedule under which Customer is receiving service and being billed.

B. Resale Prohibited.

Customer shall not resell electric energy unless specifically provided for in writing by the Cooperative.

C. Interstate Transmission of Electric Energy Prohibited.

The Cooperative does not provide electric service to any member's of which is located outside the State of Texas or is connected to any conductors all or part of which is located outside the State of Texas. Customer shall not

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transmit electric energy provided by the Cooperative outside the State of Texas.

- D. Uses Prohibited by Law.
Customer shall not use electric energy for any unlawful purpose or in such a manner that it may endanger life or property.

323.3 Customer's Electrical Load.

- A. Load Balance.
Cooperative requires Customer to control the use of electric energy so that Cooperative's electrical load at the point of delivery is in reasonable balance.
- B. Allowable Motor Starting Currents.
The following motors may be started across the line if the motor size does not exceed the limits given below:

Single Phase	10HP
Three Phase	30HP

Larger across-the-line starting currents than above may be permitted where Cooperative determines its facilities are adequate and the frequency of starts are such that other Customer's service will not be adversely affected. Any motor starting devices are to be of a type approved by Cooperative and are to be provided and installed by Customer.

Groups of motors starting simultaneously are classed as one motor.

- C. Intermittent Electrical Loads.
Electric service to equipment such as spot and arc welding machines, X-ray machines, arc-furnaces, elevators, dredges, locomotives, shovels, feed grinders, etc., whose use of electricity is intermittent and subject to violent fluctuations, is provided to such equipment as a part of Customer's installation or by a transformer dedicated solely to that equipment and served as a separate account. Except for individual transformer type arc welders whose rated primary input current does not exceed 15 amperes at 120-volt operation or 30 amperes at 240-volt operation (38 amperes if Customer is served by an individual transformer), Customers contemplating the installation of such equipment are to make specific prior arrangements with Cooperative.

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D. Equipment Necessary to Limit Adverse Effect.

Cooperative may require Customer to provide, at Customer's expense, suitable apparatus to limit the effect of voltage fluctuations caused by electric equipment in Customer's installation where Customer is found to be operating electrical equipment which produces voltage fluctuations, interference or distorted wave forms which adversely affect electric service provided by Cooperative to Customers.

In lieu of requesting Customer to install such suitable or special equipment limiting such adverse effect, Cooperative may, at its option, install at Customer's cost, additional transformer capacity (which may or may not be dedicated solely to such member) or other equipment specially designed to reasonably limit such adverse effect.

E. Voltage and Wave Forms Sensitive Equipment.

A Customer planning the installation of electric equipment such as computers, communication equipment, electronic control devices, etc., whose performances may be adversely affected by voltage fluctuations and distorted 60 hertz wave forms are responsible for providing and installing the necessary facilities to limit these adverse effects.

F. Change in Customer's Electrical Load.

The Cooperative may require information concerning the nature of the load and electric service requirements as well as the expected duration of the load. Customer shall give written notice to the Cooperative fifteen (15) days in advance of connecting any motors or other devices which might increase load above the rated capacity of transformer(s) servicing Customer. If Customer fails to give such notice and an overload condition causes damage to the transformer(s) servicing Customer then Customer shall pay to the Cooperative the value of such transformer prior to the time it was damaged less salvage value.

If in the judgment of the Cooperative there is an increase in any electric service requirement for which, under standard engineering practice, it would be desirable to construct additional facilities, then the Cooperative may charge Customer as aid to construction or as an increased minimum an amount not to exceed the actual cost of such facilities together with the cost of any additional facilities required to be constructed by the Cooperative's wholesale

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power supplier serving Customer's load. The Cooperative may require the Customer to execute a new contract for electric service specifying appropriate terms including the maximum load, increased minimum or aid to construction.

323.4 Power Factor.
If the power factor of Customer's load is less than ninety percent (90%), Cooperative may require Customer to install appropriate equipment to maintain a power factor of at least ninety percent (90%) or at Cooperative's option, to reimburse Cooperative for installing the necessary equipment.

323.5 Access.
Customer will admit to Customer's premises at all reasonable hours personnel authorized by Cooperative to inspect, install, remove, or replace Cooperative's property, to read Cooperative's meter, and to perform other activities necessary to provide electric service, including tree trimming and tree removal where such trees in the opinion of Cooperative constitute a hazard to Cooperative personnel or facilities, or jeopardize the provision of continuous electric service. Refusal on the part of Customer to provide reasonable access for the above purposes may, at Cooperative's option, be sufficient cause for discontinuance of service. Alternatively the Cooperative may move the metering location and other facilities and charge consumer the cost of relocating all facilities.

323.6 Protection of Cooperative's Facilities on Customer's Premises.
Customer shall use reasonable diligence to protect Cooperative personnel and facilities on Customer's premises.

In the event of loss of or damage to, Cooperative facilities on Customer's premises caused by or arising out of carelessness, neglect, or misuse by Customer or unauthorized persons, Cooperative may require Customer to reimburse the Cooperative the full cost of such damage.

324. Billing.
The Customer shall be obligated to pay the total amount of charges for electric service shown on the Customer's bill. Such charges shall be calculated in accordance with the Cooperative's latest approved rate schedule or schedules applicable to the class or classes of service furnished to Customer and these rules. Bills shall be rendered promptly following the reading of meters.

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324.1 Determining Usage of Electric Energy.

Usage of electric energy (expressed as kWh) shall be determined by a meter reading. The meter reading is conclusive and establishes absolutely the amount of energy used unless it is shown by meter test that the meter was inoperative or inaccurate, in which case the meter reading shall be adjusted as provided in Section 324.4 of this Tariff. The meter reading shall not otherwise be adjusted. Electric energy usage is measured at the metering point regardless of whether or not it is the same as the point of delivery.

If service is not measured at the point of service delivery, measured usage shall be adjusted to reflect actual usage. However, an adjustment to measured usage will not be required if metering at primary voltage provides an economic benefit to the customer (i.e. qualification for a less costly service rate or avoidance of multiple metering resulting in a higher total bill) and the contract for service specifies that measured usage will not be adjusted for transformation and line losses.

324.2 Meter Reading.

The Cooperative reads meters monthly except meters designated to be read by Customers. Customers are required to read the meter(s) on their premises monthly if so advised by the Cooperative. If a Customer fails to report a meter reading for three (3) consecutive months the Cooperative may read the meter and charge a trip fee. Unless specifically stated in the applicable rate schedule, all charges are based on a billing month. A billing month or billing period is the period between two consecutive meter reading dates and typically ranges from twenty-eight (28) to thirty-three (33) days. The Cooperative may check the meter reading of any meter at any time.

324.3 Estimated Billing.

Electric energy as well as demand may be estimated by the Cooperative when there is good reason for doing so, such as inclement weather, personnel shortage, etc. provided an actual meter reading is taken every three (3) months.

324.4 Meter Test and Accuracy Adjustment.

Upon request of a Customer and if he or she desires in the Customer's presence or the presence of his or her authorized representative, the Cooperative shall make a test of the accuracy of Customer's meter. The test shall be made during the Cooperative's normal working hours at a time convenient to the Customer if he or she desires to observe the test. The test may be made on the Customer's premises or at a test laboratory as determined by the Cooperative. Following completion of

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testing, the Cooperative shall promptly advise the Customer of the date of removal of the meter, if removed, the date of the test, the result of the test, and who made the test. 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 according to 203.3.

324.5 Minimum Charges.

The Customer will pay a minimum bill in accordance with the applicable rate schedule irrespective of the amount of electricity consumed, even if none is consumed. The minimum charge shall be in addition to any fuel cost adjustment charges, power cost adjustment charges or other billing adjustments. All billing adjustments shall be billed in addition to and exclusive of the minimum charge.

The minimum charge may be increased in accordance with the Cooperative's line extension policy for new construction. Usually the amount of such increase will be stated in the Agreement For Electric Service.

324.6 Terms of Payment.

Each bill for utility service(s), regardless of the nature of the service(s), is due sixteen (16) days after issuance unless such day falls on a holiday or weekend, in which case payment is due on the next workday. If full payment is not received in the office of the Cooperative or at any agency authorized by the Cooperative to receive payment on or before the date such bill is due, the Customer's account will be considered delinquent and subject to disconnection in accordance with these rules.

324.7 Disputed Bills.

In the event of a dispute between a Customer and the Cooperative regarding any bill for electric utility service, the Cooperative shall make such investigation as may be appropriate under the particular circumstances, and report the results thereof to the Customer. In the event disputes are not resolved, the Cooperative informs Customers of the complaint procedures of the Cooperative.

Customers shall not be required to pay the disputed portion of the bill which exceeds Customer's average monthly usage at current rates pending the resolution of the dispute, but in no event more than sixty (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 utility service for the preceding twelve (12) month period. When no previous usage history exists, consumption for calculating the average

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monthly usage shall be estimated on the basis of usage levels of similar customers and under similar conditions.

324.8 Deferred Payment Plan.

The Cooperative may in its discretion enter into a deferred payment plan for any amount owed to the Cooperative or any portion thereof. 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 termination notices at any time during the preceding twelve (12) months.

- A. Cooperative is not required to enter into a deferred payment agreement 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 no more than three (3) months. In cases of meter tampering, bypass, or diversion, Cooperative may, but is not required to, offer a Customer a deferred payment plan.
- B. A deferred payment plan may include a five percent (5%) penalty for late payment but shall not include a finance charge.
- C. If a Customer has not fulfilled terms of a deferred payment agreement, the Cooperative shall have the right to disconnect service pursuant to the disconnection rules herein and under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.
- D. 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-half of the total deferred amount may be required as a reasonable amount under this paragraph.
- E. 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

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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.

324.9 Cancellation of Agreement.

If Customer terminates service without proper notice or prior to the end of the contract term or Cooperative terminates service due to a default or breach by Customer, in addition to the amount then due Cooperative, there immediately becomes due and payable to Cooperative as liquidated damages and not as a penalty a further sum equal to the minimum amount specified in the applicable rate schedules or guaranteed in the Agreement for Electric Service for the unexpired term of the Agreement for Electric Service, whichever is greater.

324.10 Equalized Billing Plan.

Equalized billing is available to Customers upon the following terms and conditions:

A. Mutual Agreement.

Equalized billing is optional to the Customer but subject to the Cooperative's approval in each case. Equalized billing allows the Customer to know in advance (subject to certain limitations) the approximate amount he or she will be required to pay each month for electric utility service based upon an average of billings in the past twelve (12) months. Equalized billing may not be used to defer payment of a Customer's delinquent electric bills. Equalized billing may be advantageous to Customers who experience wide variations in their monthly electric billings.

B. Customer's Obligation.

Notwithstanding anything in this Section 324.10, a Customer entering into an equalized billing agreement with the Cooperative shall be obligated to pay for electric utility service the total amount of charges that would be applicable to the Customer in absence of any equalized billing plan or equalized billing agreement. The equalized payment does not relieve Customer of any obligation to pay based upon actual billing units (e.g., kWh metered to the Customer).

C. Equalized Payment - Monthly Billings Calculation.

A Customer's monthly payments under an equalized billing plan will be based on approximately one-twelfth (1/12) of the total actual usage for the previous twelve (12) months multiplied by the appropriate rate, PCRF and any other

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charges in effect at the time of the monthly payment calculation. A minimum of twelve (12) months billing history for the Customer at the service location that is the subject of the equalized billing plan is required.

The equalized billing plan will be reconciled no less than once annually by the Cooperative. If the reconciliation results in there being a balance that is owed to the Cooperative, then the Cooperative may, at its election, include all or any portion of that amount on a subsequent bill or bills. If the reconciliation results in there being a credit balance that is due to the Customer, then the Cooperative may, at its election, refund all or any portion of that credit balance to Customer and/or apply all or any portion of that credit balance to the Customer's account on a subsequent bill or bills.

The Cooperative reserves the right to periodically review the equalized billing payment amount and adjust such amount as needed due to changes in rates, weather, usage, etc. The Cooperative shall provide the customer reasonable notice of any changes in the equalized billing payment amount.

D. Eligibility.

In order to be eligible for equalized billing, the Customer must meet the following requirements:

- (1) In the most recent twelve (12) months, the Customer must have occupied the service address location, been continuously connected to the Cooperative's electric system, and had a satisfactory payment history during such period;
- (2) All bills, including the current bill for electric utility service, must have been paid so that no amounts are due on the account;
- (3) Customer must pay a security deposit of not more than one-sixth (1/6) of the estimated annual equalized billing payment amounts, if requested by the Cooperative;
- (4) If requested by the Cooperative, Customer must sign and deliver to the Cooperative the equalized billing plan agreement, in form and substance acceptable to the Cooperative;

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(5) All payments made under an equalized billing plan must be made by automated bank draft; and

(6) Customer must request equalized billing, and the Cooperative must approve such request from Customer, before July 26, 2007.

E. Termination of Equalized Billing.

Equalized billing will continue until terminated. Equalized billing may be terminated at any time by either Customer or the Cooperative. If equalized billing is terminated, any balance owed to the Cooperative will become due and payable immediately. A credit balance will be applied to future billings. At the time equalized billing is terminated, the Customer will be placed on the regular method of billing.

If a Customer fails to pay when due the amount of any equalized billing, the Cooperative may at its option terminate equalized billing and any debit balance owed to the Cooperative will become due and payable.

324.11 Rolling Average Billing Plan.

Rolling average billing is available to Customers upon the following terms and conditions:

A. Mutual Agreement.

Rolling average billing is optional to the Customer but subject to the Cooperative's approval in each case. Rolling average billing allows the Customer to have his or her monthly bill based upon a rolling twelve (12) month usage average for electric utility service. Rolling average billing may not be used to defer payment of a Customer's delinquent electric bills. Rolling average billing may be advantageous to Customers who experience wide variations in their monthly electric billings.

B. Customer's Obligation.

Notwithstanding anything in this Section 324.11 to the contrary, a Customer entering into a rolling average billing agreement with the Cooperative shall be obligated to pay for all electric utility services which would have been applicable to the Customer in absence of any rolling average billing plan or rolling average billing agreement. The rolling average payment does not relieve Customer of any obligation to pay based upon actual billing units (e.g., kWh metered to the Customer).

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C. Rolling Average Payment - Monthly Billings Calculation.

A Customer's monthly payments under a rolling average billing plan will be based on approximately one-twelfth (1/12) of the total actual usage for the previous twelve (12) months multiplied by the appropriate rate, PCRf and any other charges in effect at the time of each monthly billing. The rolling average bill amount will change monthly as the rolling twelve (12) month average of actual usage changes. A minimum of twelve (12) months billing history for the Customer at the service location that is the subject of the rolling average billing plan is required.

The Cooperative reserves the right to periodically review the rolling average billing payment amount and make adjustments to such amount as needed due to changes in rates, weather, usage, etc. The Cooperative shall provide the Customer reasonable notice of any changes in the rolling average billing payment amount.

D. Eligibility.

In order to be eligible for rolling average billing, the Customer must meet the following requirements:

- (1) In the most recent twelve (12) months, the Customer must have occupied the service address location, been continuously connected to the Cooperative's electric system, and had a satisfactory payment history during such period;
- (2) All bills, including the current bill for electric utility service, must have been paid so that no amounts are due on the account;
- (3) Customer must pay a security deposit of not more than one-sixth (1/6) of the annual estimated rolling average billing payment amounts, if requested by the Cooperative;
- (4) If requested by the Cooperative, Customer must sign and deliver to the Cooperative the rolling average billing plan agreement, in form and substance acceptable to the Cooperative; and
- (5) If requested by the Cooperative, all payments made under a rolling average billing plan must be made by automated bank draft.

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- E. Termination of Rolling Average Billing.
Rolling average billing will continue until terminated. Rolling average billing may be terminated at any time by either Customer or the Cooperative. If rolling average billing is terminated, any balance owed to the Cooperative will become due and payable immediately. A credit balance will be applied to future billings. At the time rolling average billing is terminated, the Customer will be placed on the regular method of billing.

If a Customer fails to pay when due the amount of any rolling average billing, the Cooperative may at its option terminate rolling average billing and any debit balance owed to the Cooperative will become due and payable.

325. Customer Relations.

325.1 Available Information.

- A. Facilities for Providing Electric Service.
The Cooperative maintains at each of its business offices and makes available to applicants and others entitled to the information a current set of maps, plans, and records showing the facilities available for service.
- B. Cost of Providing Service.
Prospective residential applicants are informed of the lowest-priced service alternatives available giving consideration to equipment options and installation charges, if any. Cooperative does not assume responsibility that Customer receives electric service under the most favorable rate schedule. If a change in Customer's load or installation occurs which would make Customer eligible for a more favorable rate schedule, it is Customer's responsibility to notify Cooperative in writing of such changes and request that a different rate schedule be applied. Cooperative is not required to bill Customer under the more favorable rate schedule until a written Agreement For Electric Service is in effect between Customer and Cooperative specifying the new rate schedule. When Customer selects a rate schedule, or changes its installation to be eligible for selection of new rate schedule, Cooperative is not required to make any refunds covering the difference between the charges under the rate schedule in effect and those under any other rate schedule which would be applicable to the same service.

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- C. Tariff.
At each of its business offices, the Cooperative maintains and makes available for inspection a copy of this Tariff. A copy of any applicable portion of this Tariff will be provided upon request. Notice of the availability of this Tariff is posted in each business office in the same area where applications for service are received.

- D. Meter Reading.
Upon request, the Cooperative advises its Customers of the method of reading meters.

325.2 Customer Complaints.

- A. Upon complaint to the Cooperative by a Customer either at its office, by letter or by telephone, the Cooperative shall promptly make a suitable investigation and advise the complainant of the results thereof

- B. In the event the complainant is dissatisfied with the Cooperative’s report, the Cooperative advises the complainant of the Cooperative’s complaint process.

- C. The Cooperative keeps a record of complaints showing the name and address of the complainant; the date and nature of the complaint and the adjustment or disposition thereof for a period of two (2) years subsequent to the final settlement of the complaint. Complaints with reference to rates or charges which require no further action by the Cooperative need not be recorded.

340. Interconnection.

The Cooperative shall make available, upon request, interconnection service to qualifying electric consumers that the Cooperative serves in accordance with this Tariff and the DG Manual. For purposes of this paragraph, the term “interconnection service” means service to an electric consumer under which an on-site generating facility on the consumer’s premises shall be connected to the Cooperative’s Distribution System.

The DG Manual shall govern the interconnection and parallel operation of all qualifying electric consumers that the Cooperative serves in accordance with this Tariff, as well as any purchases and/or sales to producers.

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All power produced by the interconnected generation will be purchased by the Cooperative according to terms specified in a separate power purchase agreement, in form and substance acceptable to the Cooperative. No Customer shall be allowed to “wheel” power over the Cooperative’s Distribution System to third parties.

350. Customer Initiated Discontinuance of Service.

350.1 Customer’s Request.

Any Customer desiring to discontinue electric utility service from the Cooperative shall make a written request identifying the Customer, the service location where discontinuance is desired, and the date service is requested to be discontinued. Such request shall be filed at any office of the Cooperative.

350.2 Disconnection.

Following receipt of Customer’s request for discontinuance of service the Cooperative shall disconnect service. Where practicable disconnection is made on the date requested by the Customer, however, the Cooperative shall not be obligated to make disconnection earlier than the second full business day following receipt of Customer’s request.

351. Cooperative Initiated Discontinuance.

351.1 Reasons for Discontinuance.

The Cooperative may discontinue service to a Customer under any of the following circumstances:

A. Nonpayment of a Bill.

If the Customer fails or refuses to pay a delinquent account for electric service (whether or not based upon estimated billing).

B. Breach.

If Customer fails or refuses to perform any obligation under the terms of the Agreement for Electric Service or a deferred payment agreement.

C. Interference with Service.

If Customer violates any rule pertaining to the use of electric service in a manner which interferes with or is likely to cause interference with electric service to other Customers or operates nonstandard equipment, provided that

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the Cooperative has made a reasonable effort to notify the Customer and provided there has been a reasonable opportunity to remedy the situation.

- D. Failure to Make Application for Service.
If Customer fails or refuses to make application for service in accordance with these rules in Customer's legal name.

- E. Refusal of Access.
If Customer fails or refuses to provide the Cooperative reasonable access to its facilities located on Customer's premises.

- F. Default on Guaranty Agreement.
If a Customer has signed a written Guaranty Agreement for another Customer or applicant and fails or refuses to pay the amount due on the guaranteed account when requested to do so by the Cooperative.

- G. Backbilling.
If Customer fails or refuses to pay when due any billing authorized by these rules resulting from previous underbilling (whether caused by meter inaccuracy, failure to register, misapplication of rates or otherwise). Correction of billings for meter inaccuracy shall be made for the period of six (6) months immediately preceding removal of the inaccurate meter from service for testing or from the time the meter was in service since last tested, but not exceeding six (6) months.

- H. Hazardous Condition.
When a hazardous condition exists in Customer's installation or equipment.

- I. Meter Tampering.
If Cooperative's meter which serves Customer has been tampered with or bypassed, the Cooperative may discontinue service. For purposes of this section, meter tampering, bypass, or diversion shall be defined as tampering with an electric meter or equipment, bypassing the same, or other instances of diversion, such as physically disorienting the meter, objects attached to the meter to divert service or to bypass, insertion of objects into the meter, and other electrical and mechanical means of tampering with bypassing, or diverting electrical service or there has been a theft of electric service (Section 31.04 of the Penal Code of the State of Texas) or criminal mischief for having

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damaged or tampered with the Cooperative’s property (Section 28.03 of the Penal Code of the State of Texas).

The Cooperative may file criminal charges against any person, including any of its Customers, when there is evidence of (i) interference with and/or tampering with any of the Cooperative’s equipment, including, without limitation, one or more of its meters; and/or (ii) theft of electric service.

The Cooperative may charge for all labor, material and equipment necessary to repair or replace all equipment damaged due to meter tampering or bypassing or other service diversion, and other costs necessary to correct service diversion where there is no equipment damage, including incidents where service is reconnected without authority. An itemized bill of such charges must be provided to the Customer. The Cooperative may also estimate and bill the Customer for electric service over the entire period of meter tampering, meter bypassing or service diversion and for labor to calculate the un-metered usage.

351.2 Notice of Disconnection.

A. Proper Notice Prior to Disconnection for Nonpayment.

If a Customer fails or refuses to pay the Cooperative in accordance with the provisions of the Agreement For Electric Service, service rules, applicable rate schedule, deferred payment agreement, or guaranty agreement, then proper notice shall be given prior to disconnection. Proper notice shall consist of a separate mailing or hand delivery at least ten (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. If mailed, the cut-off day may not fall on a holiday or weekend, but shall fall on the next working day after the tenth (10th) day. Payment at a Cooperative authorized payment location is considered payment to the Cooperative. The Cooperative shall not issue late notices or disconnect notices to the Customer earlier than the first (1st) day the bill becomes delinquent so that a reasonable length of time is allowed to ascertain receipt of payment by mail or at a Cooperative authorized payment location.

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B. Disconnection Without Notice.

Electric service may be disconnected without any notice to Customer under any of the following circumstances:

- (1) Cooperative determines, in its sole discretion, that a hazardous condition exists;
- (2) Cooperative determines, in its sole discretion, that meter tampering or bypassing has occurred or is occurring; or
- (3) The Cooperative's receipt of notice that a payment made by a Customer to restore electric service when such electric service has been disconnected by the Cooperative was not honored by the financial or other institution on which it was drawn, regardless of whether the Cooperative has received payment from the Customer for other amounts owed. This includes, without limitation, payments made by check, whether paper or electronic, and credit card.

C. Disconnection After Reasonable Notice.

- (1) Electric service may be disconnected by the Cooperative after reasonable notice, as provided in Section 351.1(A) above, for violation of service rules pertaining to the use of electric service in a manner which interferes with the electric service of others or the operation of nonstandard equipment [Section 351.1(C)], if a reasonable attempt has been made to notify the Customer and the Customer is provided with a reasonable opportunity to remedy the situation.
- (2) Electric service may be disconnected for failure to make application for service [Section 351.1(D)]; for refusal to provide the Cooperative access to its facilities [Section 351.1(E)]; for failure to pay a bill to correct any previous underbilling [Section 351.1(G)]; for any default under a guaranty agreement [Section 351.1(F)]; and/or if reasonable notice is given.
- (3) Electric service may be disconnected if any payment made by a Customer is not honored by the financial or other institution on which it was drawn, regardless of whether the Cooperative has received payment from the Customer for other amounts owed. This includes,

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without limitation, payments made by check, whether paper or electronic, and credit card.

- (4) Reasonable notice shall consist of a separate mailing or hand delivery at least ten (10) days prior to a stated date of disconnection with the words “termination notice” or similar language prominently displayed on the notice.

351.3 Postponement of Disconnection.

A. Medical.

The Cooperative will 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 call or contact the Cooperative within sixteen (16) days of issuance of the bill. A written statement must be received by the Cooperative from the physician or health care provider within twenty-six (26) days of the issuance of the Cooperative’s bill. The prohibition against discontinuance of service provided by this rule shall last sixty-three (63) days from the issuance of the Cooperative’s bill or such lesser period as may be agreed upon by the Cooperative and the Customer. The Customer who makes such request shall enter into a deferred payment plan. For purposes of this Section 351.3, a Customer may obtain a form to claim the medical status described herein by visiting the Cooperative’s website at www.coserv.com or by calling the Cooperative at (800) 274-4014. Due to the nature of the electric utility industry, continuous Electric Service cannot be guaranteed; however, every effort is made to restore service as quickly as is safely possible.

B. Weather Extremes.

The Cooperative may temporarily postpone disconnection of electric service to delinquent Customers during periods of extreme or abnormal cold or hot weather conditions. The Cooperative shall develop policies and procedures and modify such policies and procedures from time to time regarding the circumstances and terms for postponement of disconnection of delinquent Customers during such weather conditions.

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351.4 Effect of Discontinuance of Service.

A. Customer's Obligations.

Discontinuance of service shall not relieve Customer from any obligation to the Cooperative or lessen or change any obligation in any manner.

B. Cooperative's Rights.

Discontinuance of service shall not reduce, diminish, or eliminate any legal right or remedy accruing to the Cooperative on or before the date of discontinuance, nor shall discontinuance operate as a waiver of any legal right or remedy. Failure of Cooperative to discontinue electric service at any time after default or breach of this Tariff or to resort to any legal remedy or its exercise of any one or more of such remedies does not affect the Cooperative's right to resort thereafter to any one or more of such remedies for the same or any default or breach by Customer.

351.5 Dismantling of Cooperative Facilities.

The Cooperative may, upon discontinuance of electric service to Customer, dismantle and remove all lines, equipment, apparatus, or other facilities which the Cooperative may have installed and/or utilized to provide electric service to Customer. Alternatively, the Cooperative may abandon in place in whole or in part its underground lines and equipment in lieu of removing such facilities.

351.6 Liability for Discontinuance of Service.

The Cooperative shall not be liable for any damages of any kind or character resulting from discontinuance or disconnection of electric service made pursuant to this Tariff.

351.7 Refund of Membership Fee and Deposit.

If electric service is disconnected and then not reconnected within a reasonable time thereafter, the Cooperative shall apply the Customer's membership fee and any deposit (along with any unpaid accrued interest) against any amounts owed to the Cooperative. If after applying these amounts, the Customer's account has a balance remaining due to the Cooperative, the Customer shall remain responsible for the payment of the amounts owed to the Cooperative. If after applying these amounts, the Customer's account reflects a credit balance of greater than \$3.00, the Cooperative shall refund the credit balance to the Customer. If the credit balance is \$3.00 or less, the Cooperative shall refund the amount only upon the request of the Customer, provided such request is received by the Cooperative no later than ninety

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(90) days following Cooperative’s notification to the Customer that a refund is due. If the refund is not requested within such ninety (90) day period, then the refund shall be deemed forfeited to the Cooperative.

351.8 Disconnection Prohibited.

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

- (1) Delinquency in payment for electric utility service by a previous occupant of the premises.
- (2) Failure to pay for merchandise, or charges for nonutility service provided by the Cooperative.
- (3) Failure to pay for a different type of 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 (6) 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 otherwise due under this Tariff.
- (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.

351.9 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.

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370. Definitions.

The following terms, when used in this Tariff for Electric Service, have the following definitions:

- 370.1 Agreement for Electric Service. A written contract between Cooperative and Customer under which Cooperative provides electric service. Such contract shall be in form and substance acceptable to the Cooperative.
- 370.2 Codes. Codes governing electrical installations.
- 370.3 Commission. The Public Utility Commission of Texas.
- 370.4 Conductors Considered Outside of Building. At the option of the Cooperative, conductors may be considered outside of a building or other structure under any of the following conditions: (1) where installed under not less than two inches of concrete beneath a building or other structure, or (2) where installed within a building or other structure in a raceway that is enclosed concrete or brick not less than two inches thick.
- 370.5 Connected Load. The combined electrical requirement (i.e., the sum of the capacities and/or ratings) of all motors and other electric power consuming devices installed on the Customer's premises.
- 370.6 Contribution in Aid of Construction. A cash payment by Customer to Cooperative in order to prevent burdening other Customers through capital expenditures by Cooperative.
- 370.7 Cooperative. Denton County Electric Cooperative, Inc., d/b/a CoServ Electric, its successors and assigns.
- 370.8 Customer. An individual, partnership, association, joint venture, corporation, trust, governmental agency or other entity who is receiving, who is requesting to receive, or who is receiving the benefit of, electric service at a specified point of delivery.
- 370.9 Customer's Electrical Load. The power and energy of all motors and other electricity- consuming devices on Customer's premises which are operated simultaneously from electric service provided by the Cooperative.

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- 370.10 Customer's Electrical Installation. All conductors, equipment, or apparatus of any kind on Customer's side of the point of delivery, except Cooperative's metering equipment, used by Customer in taking electric service.
- 370.11 Demand. The rate at which electric energy is used at any instant or averaged over any designated period of time.
- 370.12 Demand Interval. The specified interval of time on which a demand measurement is based. The Cooperative's demand interval is normally 15 minutes.
- 370.13 DG Manual. The *Distributed Generation Procedures and Guidelines Manual for Members*, as adopted by the Cooperative and amended from time to time (a copy of which is available upon request).
- 370.14 Distribution System. Cooperative's primary and secondary voltage conductors, transformers, switchgear, connection enclosures, pedestals, services, and other associated equipment used to provide electric service.
- 370.15 Dwelling Unit. A room or rooms suitable for occupancy as a residence containing kitchen and bathroom.
- 370.16 Electric Service. Electric power and energy produced, transmitted and distributed, and provided or made available by Cooperative at the point of delivery.
- 370.17 Energy. The measure of how much electric power is provided over time for doing work. The electrical unit is the watt-hour, or kilowatt-hour.
- 370.18 Inspection Authority. Generally, an incorporated city or town, but may be an agency of the county, state or federal government.
- 370.19 Kilowatt. 1,000 watts; abbreviated "kW."
- 370.20 Kilowatt-Hour. 1,000 watt-hours; abbreviated "kWh."
- 370.21 Load Factor. The ratio, usually stated as a percentage, of actual kilowatt-hours used during a designated time period to the maximum kilowatts of demand times the number of hours occurring in the designated time period. The designated time period is the number of hours in a month or the number of hours in a year.

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- 370.22 Maximum Electrical Load. The maximum power and energy of all motors and other electricity consuming devices on Customer's premises which are operated or expected to be operated simultaneously from electric service provided by Cooperative at one point of delivery, measured in kilowatts.
- 370.23 Meter. A device, or devices, together with any required auxiliary equipment, for measuring electric service.
- 370.24 Permanent Electric Service. Electric service provided to Customer for a period of time in excess of a year and not used for short-term, temporary or seasonal periods of less than twelve (12) months except that construction power is not considered to be permanent electric service even though provided for a continuous period of time in excess of twelve (12) months.
- 370.25 Permanent Installation. Any installation that is:
- A. Constructed on or permanently affixed to a concrete slab or concrete piers (not blocks) and which is actually used or occupied on a permanent full-time basis; or
 - B. Any other structure which meets all of the following criteria:
 - (1) The structure which must be impractical to move. Mobile homes with wheels, trailer hitch, and axle removed are considered impractical to move;
 - (2) The structure must be actually used or occupied on a permanent full-time basis;
 - (3) The structure must be located on property owned by the Customer or leased by the Customer;
 - (3) The structure must be permanently connected to a water system and must also be permanently connected to a sewer or septic system.
- 370.26 Person. Any individual, partnership, association, joint venture, corporation, trust, governmental agency or other entity.

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- 370.27 Point of Delivery. The point where Cooperative’s conductors are connected to Customer’s conductors.
- 370.28 Power. The rate at which electric energy is provided for doing work. The electrical unit of power is the watt, or kilowatt.
- 370.29 Power Factor. The ratio of real power, in kilowatts, to apparent power, in kilovolttemperes, for any given load and time, generally expressed as a percentage ratio.
- 370.30 Raceway. Tubular or rectangular channel or conduit for containing electrical conductors, which may be exposed, buried beneath the surface of the earth, or encased in a building or structure.
- 370.31 Rate Schedule. A statement of the method of determining charges for electric service, including the conditions under which such method applies.
- 370.32 Service Availability Statement. A statement from the Cooperative designating the acceptable location of the Customer’s service entrance conductors, the proper location of meters and metering equipment, the type of service available which will be made available at the specific location under consideration at the capacity of the service to be provided.
- 370.33 Service Drop. Overhead conductors that extend from Cooperative’s overhead distribution system to the point of delivery where connection is made to Customer’s electrical installation.
- 370.34 Service Entrance Conductors. Conductors provided by Customer extending from Customer’s electrical equipment to the point of delivery where connection is made.
- 370.35 Service Rules and Regulations: or Service Rules. Any service rule or regulation of the Cooperative, including, without limitation, the provisions of this Tariff.
- 370.36 Tariff. All provisions of this document including but not limited to provisions regarding (1) Utility Operations; (2) Rates and Charges; and (3) Service Rules and Regulations.
- 370.37 Temporary Electric Service. Electric service provided to Customer for a single, continuous period of time which is less than twelve (12) consecutive months except

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that construction power, even though provided for a continuous period of time in excess of twelve (12) months, is considered to be temporary electric service.

- 370.38 Watt. The rate at which electric power is provided to do work. One watt is the power represented by a current having a component of one ampere in phase with and under a pressure of one volt.
- 370.39 Watt-Hour. A unit of work or energy equivalent to the power of one watt operating for an hour.