

GENERAL SERVICE INFORMATION FOR MEMBERS OF FIRST ELECTRIC COOPERATIVE

The following information summarizes the rights and obligations of First Electric Cooperative Corporation and its Members as set forth in the Rules and Regulations Governing Utility Service adopted by the Arkansas Public Service Commission.

ELECTRIC SERVICE RATES:

All rates for service are on file with the Arkansas Public Service Commission and are available to our Members on request at our business offices Monday through Friday from 8 a.m. to 5 p.m. at Jacksonville, Benton, Heber Springs, Perryville and Stuttgart. The monthly residential rates as of May 10, 2017, are as follows:

Peak Months Rate and Off-Peak Months Rate

\$20.00 plus	\$20.00 plus
\$26.00 Minimum Bill	\$26.00 Minimum Bill
9.3375¢ per kWh	9.3375¢ per kWh for the first 500 kWh, 7.8375¢ per kWh for all additional kWh

Peak Months Rate will apply to kilowatt hours billed during the months of June through October. Off-Peak Months Rate will apply to kilowatt hours billed during the months of November through May.

ADJUSTMENTS:

Billing for electric service under basic rates is subject to the following adjustments:

- Energy Cost Adjustment:** If the cost of energy to the Cooperative changes from the base cost of 0.037152¢ per kilowatt hour sold embedded in the Cooperative's rate, the Cooperative shall increase or decrease its rates by an amount sufficient to compensate for the change.
- Tax Adjustment:** This adjustment shall apply to any excise, license, privilege or franchise taxes which the Cooperative may hereafter have to pay, which are levied or imposed, or increased or decreased by laws or ordinances of any municipal taxing authority. Such adjustments shall be recovered only from those Members within jurisdictional boundaries of the taxing bodies and shall be shown on the face of the bill.
- Cost of Debt Adjustment:** If the total cost of debt to the Cooperative exceeds the amount embedded in the Cooperative's base rates, then the Cooperative shall increase or decrease its retail rates by an amount sufficient to compensate for the changes.

BILLING PROCEDURES:

Each Bill shall contain the following information:

- Name and account number.
- Beginning and ending meter reading.
- Dates of the meter readings.
- The number of days in the billing period.
- Kilowatt-hours used, and if applicable, kilowatt demand.
- The net amount of all payments and other credits.
- Any previous balance due.
- Amount of late payment and date it will be assessed.
- The date the bill is mailed.
- The date the bill is due. (Previous amounts unpaid are subject to disconnection, and are past due as of the date of the mailing of the bill, and are not extended to the due date of the current bill).
- A list of all charges or credits.
- Taxes listed by type.
- Charges for other utility service or non-utility service or equipment.
- The rate class under which your bill is calculated.
- Name, address and telephone number of the Cooperative.

Should it become necessary for the Cooperative to estimate the Member's bill, the estimated bill will be based on the Member's usage for the same time at that location for the previous year. If no figures are available for the previous year, the Cooperative shall use the class average to estimate usage.

CANCELING SERVICE:

A Member who wants to cancel service must inform the utility at least 5 days before the requested disconnection date. A final bill will be processed at the next regular billing date for the Member's billing cycle. Service may be discontinued eight (8) days after the day a "shutoff" notice is mailed.

Suspensions of service may be delayed when a "Serious Medical Condition" exists or when a "Delayed Payment Agreement" has been entered into with the Cooperative. These options are available through arrangements with the Cooperative's offices at Jacksonville, Benton, Heber Springs, Perryville and Stuttgart.

When service has been discontinued, the Cooperative will reconnect service as soon as the reason for the discontinuation of service has been resolved. If the reason for the termination of service was the unlawful or unauthorized use of the service, the Cooperative may discontinue service without notice. The Cooperative may, prior to reconnecting service, require a reasonable payment of estimated service rendered or may refuse to reconnect service until ordered by the Commission. An account, which has been suspended for non-payment, will not be closed until the Member has been given 7 calendar days to have service reconnected.

DELAYED PAYMENT:

If you are unable to pay a bill in full, the Cooperative will not discontinue service if:

- You pay at least ¼ of your bill; and
 - You agree to pay the balance of your bill in reasonable installments over a period of 3 months; and
 - You agree to pay in full all future bills during the period of the agreement by the due date.
- In arranging the installment payment agreement, the Cooperative will consider the Member's ability to pay, the size of the unpaid account, the Member's payment history, and the

length of time and reasons account has not been paid. Failure to comply with these arrangements will void the agreement and will result in the termination of electric service without additional notice. If electric service is terminated, the entire amount past due will be required for continuation of service.

If the Cooperative bills a Member for an amount to correct a previous under-billing, the Member is permitted to pay that amount pursuant to a delayed payment agreement that provides for repayment over a period equal to the period during which the under-billing occurred. If the under-billing is the fault of the Cooperative or it is impossible to determine whether the previous under-billing is the fault of the Cooperative or the Member, the Cooperative will not impose a finance charge on the delayed payment.

SERIOUS MEDICAL CONDITION

The Cooperative will postpone the discontinuation of service to a residential Member, if the Member presents a certificate from a physician stating that discontinuation of service will aggravate an existing medical emergency of the Member, a member of the Member's family, or other permanent resident of the premises where service is rendered. The contents of the certificate must:

- Identify the serious medical condition;
- Specify the effect of discontinuation of service;
- Specify the time during which discontinuation of service will aggravate the serious medical condition.

Members who are 65 or older or who have a disability are entitled to receive the following special attention and treatment:

- When an identified Member who is 65 or older or who has a disability is unable to pay their bill on time, the Cooperative will arrange a delayed payment agreement or provide the names of Federal, State, and local bill payment assistance agencies.
- Service to these qualified Members will not be disconnected on a day when the National Weather Service forecasts a maximum temperature of 95 degrees or higher.
- At least 72 hours prior to any proposed disconnection of electric service to a qualified Member, First Electric Cooperative will personally attempt to contact, in person or by telephone, the Member or a person living in the household. The personal contact is to give notice of the pending termination and to explain the steps the Member can take to avoid termination of service. At least two contact attempts will be made during or outside normal working hours.
 - To qualify as an individual with a disability, a person must be a residential Member who has a permanent severe physical or mental impairment which substantially limits his/her ability to pay the electric bill, and, who is certified as being physically or mentally disabled by a physician or other qualified person, agency or organization.
 - To receive the special attention and treatment to which they are entitled, qualified Members must identify themselves and register with First Electric Cooperative. A registration form may be obtained by a personal visit or telephone call to a First Electric Cooperative office.

THIRD PARTY NOTICE:

Members have the right to designate a third party to be notified before First Electric Cooperative disconnects electric service. The third party so designated will have the right to receive and provide information about the Member's circumstances, but will not be responsible for payment of the bill. Third party notification is completely voluntary.

SPECIAL NOTIFICATION TO LANDLORD/TENANTS:

Certain landlords/tenants will receive special consideration regarding the "Shut-Off" of electric service when the landlord receives lease or rent payments which include amounts for electric utility service.

"Landlord" means the owner, agent, manager, or lessor of the premises. A tenant is a person occupying these premises. Once identified, First Electric Cooperative will not disconnect electric service to such landlord/tenant for non-payment of the bill until:

- The tenant(s) have been notified that electric service is subject to disconnection;
- At least 30 days have elapsed from the date the account became delinquent and, after being notified of the delinquency, the tenant has not paid for the electric service supplied after the date of notification or made arrangements with First Electric Cooperative to make such payment; and
- Where feasible, First Electric Cooperative will offer the tenant the opportunity to apply for service in their own name.

First Electric Cooperative requests all landlords who are paying for the electric service for a tenant, and all tenants whose landlord is paying the bill for the electric service, to identify themselves to the Cooperative.

DEPOSIT REQUIREMENTS: For Residential Accounts only

A deposit may be required from new applicants for service to guarantee payment for the service. If desired, the deposit may be paid in two equal installments. In lieu of a deposit, the Cooperative will accept:

- Satisfactory credit check;
- The written guaranty of a responsible third party;
- A letter verifying credit history from previous electric utility showing good payment history;
- If you and your spouse are in the Air Force, a military waiver can be obtained.

The amount of a deposit will not exceed the estimated bill for two average billing periods.

For unlawful or unauthorized use of service, the amount of deposit shall not exceed the estimated bill for six billing periods plus potential damage to Cooperative property. Interest, as determined by the Arkansas Public Service Commission on deposits is credited to Member's accounts in January for the preceding year. Deposits can be increased to the maximum if any of the following conditions occur during the preceding twelve (12) months:

- Service is suspended for failure to pay; or proceed
- Two (2) insufficient fund checks have been rendered to the Cooperative; or

3. The Member's account has become subject to disconnect two (2) times in the last twelve (12) months.

A Member may pay an additional deposit in equal installments with the next four (4) bills.

When final discontinuation of service is made by the Cooperative, the amount of the deposit, plus accrued interest will be credited to the Member's account. A deposit shall automatically be credited to the Member's account if a Member has for a consecutive twelve (12) months' period paid all bills prior to the due date and rendered no check that was dishonored for reasons other than bank error.

HOW TO READ YOUR METER:

First Electric Cooperative encourages members to read their meters. First Electric Cooperative uses a kilowatt-hour type meter in which numbers appear in a window on the face of the meter. To read your meter, simply write down the numbers in the order they appear in the window.

To find out how many kilowatt hours of electricity you have used during a period of time, subtract the meter reading at the start of the time period (usually one (1) month prior) from the meter reading at the end of the time period. Your monthly bill will be based on readings taken by First Electric Cooperative.

PROCEDURES TO AVOID DISCONTINUATION OF SERVICE DURING

EXTENDED PERIOD OF ABSENCE:

If you will be absent during billing periods and wish to avoid discontinuation of service the following options are available.

First Electric Cooperative offers an automatic draft program, which enables members to have their bank account or credit card debited each month for the amount of their electric bill. Members may make an advance payment based on an average bill for twelve (12) months or arrange to have bills sent to an alternate address or third party. Delayed payment arrangements are also available. For details, please call your local First Electric Cooperative office Monday through Friday from 8 a.m. to 5 p.m.

GENERAL CHARGES:

• Membership Fee	\$10.00
• Service Connection Fee	\$25.00
• Return Check Fee	\$25.00
• Meter Test Fee	\$50.00
• Collection Fee	\$35.00
• Reconnection Fee	\$65.00
• Reconnection Fee After Hours	\$100.00
• Member Account Record Statement Fee	\$ 0.00
• Energy Consumption Statement Fee	\$ 0.00
• Processing Fee for Levelized Billing Withdrawal	\$ 0.00
• Meter Reading Report Fee	\$ 0.00
• Trip Fee	\$50.00
• Trip Fee (after hours)	\$75.00

• Late Payment Charge:

Bills are rendered monthly and are due and payable within 22 calendar days after the bill is mailed. In the event payment is not made within 22 days after the date the bill is mailed, the Cooperative shall collect an additional 10% of the first \$30.00 of the bill and 2% of the remaining balance as a late payment charge.

• Deposit from Applicant for Non-Residential Service:

The Cooperative may require a deposit from a non-residential applicant for service.

• Deposit from Applicant for Residential Service:

The Cooperative may require a deposit from an applicant for residential service in accordance with APSC General Service Rule 4.01.A.

• Deposit from Landlord:

The Cooperative may require a deposit when an applicant for residential service qualifies as a landlord as defined in the APSC General Service Rules. The amount of deposit will equal the estimated bill for three (3) average billing periods.

• Deposit Due to Bankruptcy:

In accordance with the United States Bankruptcy Code, U.S.C. S. Title 11 § 366, the Cooperative may require a Member to furnish adequate assurance of payment in the form of a deposit or other security. This deposit may be in addition to all other deposits posted with the Cooperative before the bankruptcy filing.

• Deposit from Member:

The Cooperative may require a new deposit or an increase in the amount of deposit from a Member in accordance with APSC General Service Rule 4.02.

• Interest Charge For Applicant With Previous Unpaid Final Bill:

The Cooperative will charge an interest rate of 10.0% per annum to an applicant for service who is a former Member with an unpaid bill over 90 days old. The interest charge will be made from the due date of the final bill to the date of application for new service. (See Exemption Schedule 1.1.)

EXTENDED DUE DATE PLAN:

The Extended Due Date Plan is offered to qualifying residential Members and is intended to enable the Cooperative to change a Member's bill payment due date. This plan is carried out at the Member's request, and it should coincide with or follow the Member's receipt of fixed income as listed below. Members who qualify under this plan and pay by their new due date will not be considered late on their bill payment. Members whose income checks from any of the sources listed below are not normally received by the regular bill due date, are eligible to apply for an extended due date. Qualifying income sources are as follows:

1. Persons receiving Aid to Families with Dependent Children (AFDC), or Aid to the Aged, Blind and Disabled (AABD).
2. Persons receiving Supplemental Security Income (SSI); or,
3. Persons whose primary source of income is Social Security or Veterans Administration disability or retirement benefits.

Members shall become plan participants upon either written or verbal application to the Cooperative. Participation will continue each month thereafter, regardless of account location, as long as the Member's account remains active. Verification of income being received by the Member may be required. After acceptance of a Member by the Cooperative as a participant in the Extended Due Date Plan, the Member shall supply to the Cooperative the date on which his monthly income is received (check receipt date) and the Cooperative will make this information a permanent part of the Member's record.

1. If the check receipt date occurs within the time span between the billing date and the bill due date, the normal bill due date of the account remains in effect.
2. If the check receipt date occurs beyond the time span of billing date and the bill due date, the due date will be at least three days after the check receipt date and only the extended due date will appear on the Member's bill.

If the Member does not pay bills by the close of business on the extended due date two (2) times in a row or any three (3) times in the last twelve (12) months, the Cooperative will remove the Member from the plan. The Cooperative will notify the Member in writing when the Member has been removed from the plan for late payment.

If payments are not received by the close of business on the extended due date, the Cooperative will follow the established notification process established by the Arkansas Public Service Commission which could ultimately result in termination of service.

PAYMENT AGENTS:

- First Arkansas Bank and Trust – Branch offices at Gravel Ridge, Cabot Highway 5 and Greers Ferry.

A bill or an account number must accompany payment. Payment must be made by 3:30 p.m., Monday through Friday. Payments made after 3:30 p.m. will not be posted until the following business day.

LEVELIZED BILLING PLAN: For Residential Accounts only

The Member's monthly bill will be computed in accordance with the applicable rate schedule(s) and the Member's account debited with such amount. The net amount payable for service for the current month will be equal, to the nearest whole dollar, the average monthly amount debited to the Member's account during the twelve months ending with the current month plus or minus one-twelfth of the accumulated difference between previous debits and the amounts payable under this plan.

Where the Member has less than twelve months billing history at this present location or the billing history is not representative, estimates of monthly bills may be made solely for determining the current month's levelized billing.

Termination and Settlement

A levelized billing plan is not a delayed payment agreement. If a Member on a levelized billing plan becomes delinquent, a utility may remove the Member from the levelized billing plan and, if the Member qualifies, offer the Member a delayed payment agreement.

Billing under this plan may be automatically terminated upon disconnection of service. Any amounts owed for service billed under this plan shall be due as any other final bill for service. Any amounts overpaid for service billed under this plan shall be refunded to the Member by check.

A Member may withdraw from the plan at any time. A processing fee may be charged if a Member withdraws from a plan more than 1 time in 12 months. The amount of the processing fee is set forth in the Cooperative's tariffed schedule of charges related to Member activity.

When a Member withdraws from the plan but does not discontinue service with the Cooperative, the Member will have the option of paying the account balance in full, or, if qualified, under a delayed payment agreement. Any refund due the Member may be made by billing credit unless the Member requests otherwise. Any refund due the Member shall be made within 30 days.

SALES TAX EXEMPTION:

In 1983 the Arkansas Legislature passed Act 120 which provides that Arkansas residents whose household income is less than \$12,000 annually are exempt from paying sales tax on the first 500 kilowatt hours of electricity used each month. All charges for electricity used above 500 kilowatt hours per month will be taxed.

In order to qualify for the exemption, members must complete and file an Electric Sales Tax Exemption form with First Electric Cooperative. If you filed last year and feel you are still eligible for the exemption this year, you DO NOT have to file again to continue receiving the exemption. However, if you have previously filed with First Electric Cooperative for this exemption and your annual income has increased over \$12,000, you will need to contact First Electric Cooperative since you are no longer eligible.

These special forms may be obtained at any of our business offices at Jacksonville, Benton, Heber Springs, Perryville, and Stuttgart or from your local county Commissioner of Revenues. The completed exemption form must be received by March 1st of each year.

MEMBER INQUIRIES:

A Member may verify the accuracy of a bill by contacting any of our local business offices. Our representatives are trained to handle Member inquiries promptly. Please contact our Member service representative and state your complaint. We welcome your suggestions for resolving complaints. Write down the name of the person to whom you talked. If your complaint is not handled to your satisfaction, you may appeal to the service representative's supervisor. The address and telephone number of the Cooperative's offices where inquiries may be made are as follows:

Jacksonville District Office – Hours: Monday through Friday, 8 a.m. to 5 p.m.

1000 South JP Wright Loop Rd
P.O. Box 5018
Jacksonville, AR 72078
(501) 982-4545 or 1-800-489-7405

Benton District Office – Hours: Monday through Friday, 8 a.m. to 5 p.m.

7163 Alcoa Road
P.O. Box 705
Benton, AR 72018
(501) 315-7438 or 1-800-489-7405

Heber Springs District Office – Hours: Monday through Friday, 8 a.m. to 5 p.m.

150 Industrial Park Road
P.O. Box 1508
Heber Springs, AR 72543
(501) 362-3166 or 1-800-489-7405

Perryville District Office – Hours: Monday through Friday, 8 a.m. to 5 p.m.

801 South Fourche Avenue
P.O. Box 119
Perryville, AR 72126
(501) 889-2312 or 1-800-489-7405

Riceland District Office – Hours: Monday through Friday, 8 a.m. to 5 p.m.

1824 South Main Street
P.O. Box 906
Stuttgart, AR 72160
(870) 673-2695 or 1-800-489-7405

www.firstelectric.coop

To report a power outage, call 888-827-3322.

To make a payment, call 844-PAY-FECC (844-729-3322).

If you are dissatisfied with the results of your complaint, you may contact the Arkansas Public Service Commission. The mailing and street address is 1000 Center St.; P.O. Box C-400, Little Rock, AR 72203. The toll-free number is 1-800-482-1164. In Little Rock, call 501-682-1718.

The Arkansas Public Service Commission General Service Rules and Special Rules - Electricity, are on display and available at each of our local offices. This information has been provided by First Electric Cooperative in compliance with the Arkansas Public Service Commission.