

MID-CAROLINA ELECTRIC COOPERATIVE, INC.
SERVICE RULES AND REGULATIONS

500 MISCELLANEOUS

501 CLAIMS AGAINST THE COOPERATIVE

In the event the Cooperative's negligence results in personal loss or an individual feels the Cooperative is responsible for such personal loss, a claim against the Cooperative for the incident should be filed by the injured party. A description of the event will be compiled and processed by the Cooperative.

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502 COMPLAINTS

Complaints concerning the charges, practices, facilities, personnel, or services of the Cooperative shall be investigated promptly. A record shall be maintained of all such complaints received showing the name and address of the complainant, the date and character of the complaint, and the account number. Immediate action shall be taken with results being recorded in the member's file.

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503 EASEMENTS

The Cooperative may request grants of easement or right-of-way over, on, and/or under such lands owned by other parties. Such easement shall be in accordance with reasonable terms and conditions that the Cooperative may require for the furnishing of electrical service to him or other members or for the construction, operation, maintenance, or relocation of the Cooperative's electrical facilities.

Refer to Appendix section for easement copies.

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504 RIGHT OF ACCESS

Properly identified employees or contractors of the Cooperative shall have right of access to members' premises during reasonable hours or at such appropriate times for the purpose of reading meters, testing, inspecting, repairing, removing, and maintaining equipment and/or facilities, which are the property of the Cooperative.

All employees have in their possession pictured identification to verify employment with the Cooperative and in addition, they should have appropriate work orders for gaining access to the members' premises.

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505 VEGETATION MANAGEMENT PROGRAM

New Right-of-Way Clearing

New rights-of-way will be cleared of trees and vegetation prior to performing line construction activities. The clearing will be in accordance with the specifications of the Cooperative's Engineering and Operations Department as well as National Standards. For primary and un-insulated secondary wires, a minimum of 10 feet horizontal distance from the wire on each side will be cleared from "ground to sky".

Right-of-Way Vegetation Maintenance

Tree crews will re-clear the Cooperative's rights-of-way on a continuing basis in support of our ongoing re-clearing cycle. Herbicide spraying on rights-of-way will be performed in addition to re-clearing to help prevent undergrowth of vegetation and extend our re-clearing cycle. The **minimum** clearance for 3 phase, 2 phase, single phase primary lines, and open wire secondaries (un-insulated wires) is 10 feet from the wire on each side. The 10' horizontal minimum clearance will be maintained from "ground to sky" on all three phase lines. Effort will be made to eliminate all trees, tree parts, and growth points beneath the wires and all weak, diseased, and dead limbs above the wires which may fall or blow into the wires.

Tree Removal

Trees that are severely leaning, dead, decayed, or otherwise hazardous to the power lines are classified as "danger trees." The Cooperative will cut danger trees outside of the easement that pose a threat to its power lines. In improved areas such as yards, the dead and danger trees will be cut down, cut up into manageable lengths, left on-site, and the limbs will be chipped and hauled away. In unimproved and/or wooded areas, danger trees will be cut down and left as is on-site. The Cooperative will not clean up, remove, or haul away any dead tree debris due to the excessive cost of disposal. Member requests for tree removal will be evaluated on a case by case basis and performed in accordance with the above policy. The Cooperative reserves the right to refuse to cut or remove any tree which, in its judgment, poses little or no threat to its lines or that can be safely cut or removed by a private tree company with no damage to the lines.

Debris Disposal

Branches and brush debris from the re-clearing activities in improved areas, such as yards and lawns, will be chipped, cleaned up, and hauled away. Large limbs and wood will be cut into manageable lengths and left on-site.

Material from our chipping operation is available to our members at no charge. When requested, the chips are delivered by the truck load in an "as is" condition to the closest areas where the crews are working. If crews are working in an area where no requests have been made for chips, chipped material will be spread in the easement and mowed as a means of disposal.

505 VEGETATION MANAGEMENT PROGRAM

Branches and brush debris that are pruned and left in unimproved areas, such as, woods and areas not maintained by the property owner, will be mowed and left on site.

Branches, wood, and brush debris generated as a result of storms and storm restoration will not be cleaned up by the Cooperative.

Services and Outdoor Lights

The Cooperative's vegetation crews will prune limbs to maintain adequate clearance around the secondary, service, and outdoor light wires during our re-clearing cycle. Pruning limbs for outdoor light pattern or to improve light output is the responsibility of the member.

All service wires will only be cleared of small branches not large limbs or trees over the service wires.

If members, or private tree companies hired by members, feel that it is unsafe to work close to the service wire or to cut or remove trees next to it, the Cooperative will schedule an appointment during regular business hours to disconnect the electric service and re-install it after the tree work is complete. The Cooperative will not charge for this service if performed during regular business hours.

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506 CAPITAL CREDITS

Retirement of capital credits will be made whenever the Board of Trustees approves such retirements under the standards set forth in the Cooperative's Bylaws. Such retirements will be consistent with good management practices and with the provisions of all debt covenants. Current and former members shall be treated the same for the credits being retired.

Capital credits may be paid to the estate of a deceased patron upon proper application and proof by the personal representative of the member's estate. These retirements will be discounted using the discount rate published in the Cooperative's most recent audited financial statements. The amount to be discounted and paid will be based on all the Capital Credits assigned to the member or patron as of the latest year assigned on the Cooperative's books at the time of retirement/payment. Any Capital Credits later assigned to a deceased member or patron will be recorded as retired capital.

If a member or a member's estate does not claim capital credits by cashing the retirement check within 180 days of the check date, the Cooperative will maintain the capital credits on its books and make an attempt to find the Payee. The Cooperative will charge a per month fee beginning 180 days after the issuance of the retirement check to maintain the retired capital credit account and for its services in attempting to locate the Payee. The amount of fee for account maintenance and attempting to locate the member will be shown in the appendix of Provided Services and Charges attached and incorporated in these Service Rules and Regulations, as updated from time to time by the Board of Trustees of the Cooperative.

The right to receive capital credit payments is dependent upon the member's compliance with member obligations, including the payment of all service and other charges due from the member to the Cooperative. In the event that the member is delinquent or in default in payment of charges due to the Cooperative, or the member has otherwise breached or failed to comply with the Cooperative's member obligations, the Cooperative will withhold payment of capital credit payments to the member until such time as the member has cured the payment default or the breach of member obligations.

In the event a member owes a delinquent account indebtedness or other debt obligation to the Cooperative, the Cooperative will apply any capital credit payments that would be due to the member as payment (full or partial payment, as may result from the payment) of the account indebtedness or other debt obligation, as a recoupment based upon member rights and obligations. This right of recoupment shall exist without regard to the age of the unpaid indebtedness and without regard to any bankruptcy discharge of the member, as a requirement of member rights with regard to capital credit payments to members.

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507 OTHER LIGHTING SYSTEMS

Other lighting systems will be installed on request at the Cooperative's option. Monthly charges will be based on the following formula:

1.7% of the actual installed cost of the lighting system plus energy cost including the Cooperative's Monthly Adjustment Factor.

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508 DAMAGED EQUIPMENT

Persons responsible for damage or destruction of Cooperative equipment may be charged for the repair or replacement thereof including any expenses associated with finding and correcting the damage. With regard to meters, the member shall be responsible for any damage to the meter at his premises unless he produces reliable and convincing evidence that such meter was damaged by:

- 1) An accident; or
- 2) The unauthorized act of another person not residing at the premises.

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509 SAFETY STATEMENT

The Cooperative shall exercise reasonable care to reduce the hazards to which its employees, its members and the general public may be subjected. Upon request, the Cooperative will give its members such information and assistance as is reasonable to ensure safe and efficient service.

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510 ACTIONS WHEN THEFT OF ELECTRICITY IS SUSPECTED

I. OBJECTIVE

This procedure establishes the steps to be followed when an employee suspects that electricity is being stolen from the Cooperative.

II. PROCEDURE CONTENT

- A. Whenever an employee suspects from the inspection of a premises, metering installation or otherwise that electricity is being stolen from the Cooperative, the employee should document the facts that lead to the suspicion, photograph any meters, wires, or other evidence which supports the suspicion, then report the suspicion to the employee's immediate supervisor.
- B. The employee should not confront the person believed to be stealing the electricity or tampering with the meter or take corrective action without first consulting with the employee's supervisor.
- C. If the supervisor agrees that theft is probable, the supervisor should report the suspected theft to a member of staff and the supervisor and employee should contact law enforcement with responsibility for the area where the suspected theft is occurring, give a full law enforcement report, and cooperate with the law enforcement or prosecuting authorities in any following investigation. The decision to bring criminal charges shall belong solely to the police or prosecuting authorities, the Cooperative shall not take action, or swear out a warrant, separate and apart from law enforcement or prosecuting authorities without specific written approval from a member of staff and General Counsel.

III. SOURCES

The basis for this policy is:

- A. S.C. Code Ann. § 16-1-100 (finding theft of electric current to be a Class A misdemeanor);
- B. S.C. Code Ann. § 16-13-385 (making it a crime to alter, tamper or bypass an electric meter);
- C. S.C. Code Ann. § 16-13-380 (making it a crime to steal electric current); and Eaves v. Broad River Elec. Co-op., Inc., 277 S.C. 475, 289 S.E.2d 414 (1982).

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