VALLEY ELECTRIC ASSOCIATION, INC.

Corporate Policy #119

CLASSIFICATION OF ACCOUNTS

Dated: October 2, 2009 Supersedes Date: May 31, 2000

Formerly: Rule 4

I. OBJECTIVE

To classify the various consumer accounts of the Association.

II. POLICY

Classification of electric service by use is a means whereby all consumers having similar characteristics in their use of electric service are charged a uniform rate. The following consumer account classifications are hereby adopted:

A. **Residential Service**. This classification shall include homes, apartments, condominiums, townhouses, mobile homes, or other living quarters occupied by a person or persons constituting a household and buildings used exclusively by the resident including, but not limited to, garages, farm related buildings or facilities, granaries, or a water well for domestic use or for stock watering and served through the primary residential service meter.

Service will be provided by single-phase, 60 hertz, at available secondary voltages, and three-phase, 60 hertz, at available secondary voltages, with specific approval of the Association, at the rate set forth in Schedule "A."

B. **Irrigation**. This classification shall include service for irrigation pumps and related equipment used to provide water to irrigate agricultural crops and to water livestock.

Service will be provided by single-phase or three-phase, 60 hertz, at available secondary voltages, at the rate set forth in Schedule "I."

- C. **Outdoor Lighting Service**. This classification shall include service for dusk to dawn outdoor lights. Energy for this classification shall not be metered. Bills will be rendered to consumers at the flat rate set forth in Schedule "OL."
- D. **Sales to Governmental Agencies**. This classification shall include service to local, county, state and Federal agencies other than to public buildings at rates individually approved by the Board of Directors.

- E. **Large Commercial/Industrial**. This classification shall include service to all consumers who have a demand of 1000 kW or more. Service will be provided by three-phase, 60 hertz at available voltages on the terms and conditions set forth in an Electric Supply Contract to be entered into between the consumer and the Association, the Rules and Regulations and in accordance with Schedule "LC/I."
- F. **General Service**. This classification shall include, but not be limited to service for general purposes including service to schools, churches and public buildings and all other service that is not otherwise covered under Paragraphs 1, 2, 3, 4 or 5 of this Rule.

Service will be provided by single-phase or three-phase, 60 hertz, at available voltages, at the rates set forth in Schedule "GS and CI-TOD."

G. **Multiple Classifications**. When a consumer uses energy from one meter for purposes which fall under different classifications, other than outdoor lighting, the demand and energy shall be billed to the consumer at the classification determined by the Association. Multiple classification uses which include the residence of the consumer served through a single meter may be billed at the residential rate set forth in Schedule "A". If the consumer desires separate metering for each classification, other than outdoor lighting, separate meters may be provided for each classification of service.

III. RESPONSIBILITY

The Board of Directors, through delegation to the Chief Executive Officer, shall be responsible for the administration of this policy.