

VALLEY ELECTRIC ASSOCIATION, INC.

Corporate Policy #125

Subject: DISCONTINUANCE OF SERVICE

Dated: December 2, 2011

Supersedes Date: October 30, 2009

I. OBJECTIVE

To establish a clear policy for determining when discontinuance of service is appropriate and necessary to best protect the Association's interests.

II. POLICY

The Association reserves the right to discontinue service for violation of any of its service policies, rate schedules, contract provisions, or other cause, pursuant to the following:

- A. **Continuing Obligations.** The discontinuance of service for any cause does not release the consumer from his obligation to pay for energy received, services performed, minimum charges, interest, penalties, a charge specified in any contract, or other charges.
- B. **Without Notice.** The Association shall have the right to discontinue the supply of electric service to any consumer or consumers without notice for any of the following reasons:
1. For fraudulent representation as to the use of electric service.
 2. For safety purposes or for any disapproval of a consumer's equipment or wiring installation due to defects or hazardous conditions, or if the use of electrical service by the consumer is found to be detrimental or damaging to the Association or its members. (The Association does not and shall not assume the duty of inspecting the consumer's lines, appliances or apparatus or any part thereof and assumes no liability there for.)
 3. For tampering with any service wires, meter, seal or any other facilities belonging to the Association.
 4. For repairs or emergency operations.
 5. For unavoidable shortage or interruption of the Association's source of supply.
 6. When necessary to protect the Association from theft, fraud, or abuse.
 7. Upon cancellation of a contract or any other authorized public authority.
 8. Upon the order of any court or any other authorized public authority.
 9. For an event that cannot be reasonably anticipated or controlled, sometimes referred to as force majeure.
 10. If the Association has diligently attempted to meet the notice requirements of this Policy but has been unable to furnish notice to the consumer affected.

C. **With Notice.** The Association shall have the right to discontinue the supply of electric service to any consumer or consumers with notice for any of the following reasons:

1. For nonpayment of a bill for services rendered.
2. For failure to make or maintain a required deposit.
3. For a consumer's refusal of reasonable or lawful access to the consumer's property.
4. For the use of equipment which adversely affects the Association's service to its other consumers.
5. For violation of any Governing Document.

D. **Notice Requirements**

1. When pursuant to Subsection (c) of this Policy, the Association intends to discontinue service, it shall send to the consumer written notice of its intended action at least five (5) days before it terminates service.
2. The notice of proposed discontinuance must be personally served or mailed first class to the last known address of the consumer. Service of notice shall be deemed complete as of the date of personal service or three (3) days after it has been mailed. Personal service of the notice may be made by handing the notice to an adult at the address where electric service is provided.
3. The notice of proposed discontinuance shall contain the following information:
 - a. an identification of the account affected by the proposed discontinuance;
 - b. that service shall be discontinued five (5) days thereafter;
 - c. an explanation of the reasons for discontinuance;
 - d. if the proposed discontinuance is for nonpayment, a statement specifying the total amount owed, including any gross billings, interest, penalties, or other charges and the payment required to avoid discontinuance; and
 - e. if the proposed discontinuance is for failure to make or maintain a deposit required by the Association the amount of the deposit required to avoid discontinuance.
4. The Association may, at its sole discretion, provide notices in addition to those provided herein, but it shall not be required to do so.
5. The Association will investigate any complaint or dispute and render its decision to the consumer in writing. The consumer shall pay the bill in its entirety and all subsequent bills or make and maintain the required deposit to avoid discontinuance of service pending the resolution of the dispute.
6. Consumers enrolled in pre-paid metering will not receive any of the discontinuance notices provided by this policy.

- E. **Restoration of Service.** The Association will restore electric service when the causes of discontinuance of electric service have been removed and the consumer has paid all charges or amounts due to the Association. These charges, in the sole discretion of the Association, may include any or all of the following:
1. Payment of any outstanding bill for electric service including penalties, interest, minimum charges, charges for services performed, additional charges or amounts, or other charges specified in any contract.
 2. Payment of the reconnection charge, as provided in Policy 126, "Reconnection and Administration Charges."
 3. Payment for any electric energy used as indicated on the consumer's electric meter at the time of discontinuance of service which has not been billed, and payment of any penalty, interest, minimum charge, charge for services performed, additional charges or other charge specified in any contract which would be billed to the consumer on the next monthly bill.
- F. **Multiple Meters.** If a consumer has more than one meter at one location, or meters at more than one location, service may be discontinued at all meters if a bill(s) for service or any other charge to any meter is not paid before discontinuance of service.

III. RESPONSIBILITY

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