

VALLEY ELECTRIC ASSOCIATION, INC.

Corporate Policy #134

Subject: IDLE SERVICES POLICY

Dated: September 27, 2007 (Changed from Rule 19 to Corporate Policy 134 on 8/15/19. No policy revision made)

Supersedes Date: Any previous instructions, except as noted in this Policy.

Objective: To (i) protect the equity of existing members by ensuring, to the extent practical, that all costs relating to non-revenue producing facilities are paid by the member with the non-revenue production facility and are not borne by the existing membership instead, and (ii) expand on existing Valley Electric Association, Inc. (the "Association") policies relating to such idle services.

Policy: To (i) allow property owners the opportunity to retain an Idle Service (as defined below) for future use, and (ii) provide a mechanism for the Association to recover the continuing overhead and maintenance costs related thereto.

Therefore, with respect to Idle Services, the following shall apply:

1. An "Idle Service" shall mean any service where there is Power Available (as defined in Policy 17), or where a metered service is present but not active.
2. At the discretion of the Association, notification by certified letter will be made to the property owner containing an Idle Service informing that owner that the service is idle. The property owner may then elect to keep the Idle Service. If no response is received, the Idle Service will be removed as time permits. No further notification will be sent.
3. If election is made by the owner to retain the Idle Service, the property owner must be or become a member of the Association. In addition, a monthly facilities charge will be required as per the established rate schedule of the Association. The monthly facilities charge is subject to periodic review by the board of directors.
4. The member with the Idle Service will be billed under the normal billing policy of the Association. If the account becomes delinquent and subject to non-payment disconnect, the service will be scheduled for removal as time permits. No other notification will be sent.
5. If an Idle Service is removed and service is requested in the future at that location, the request will be treated as a new service. All the costs associated therewith shall be calculated in accordance with the Connection Policy in effect at the time of the request.
6. Connecting or reconnecting any service and later disconnecting the service to avoid the monthly fee will subject the service to the same status as an Idle Service. In all cases, a reconnect charge will apply as per the applicable rate schedule.
7. Any newly installed service should be energized and metered within one (1) year of completion.
8. The board of directors reserves the right to waive by formal board action any or all of this Idle Services Policy in the event special conditions arise or exist.

Approved: September 27, 2007
Secretary of the Board