



August 19, 2020

Applicability: Board and Management

BOARD AND MANAGEMENT POLICY NO. 502 TERMINATION OF SERVICE

I. PURPOSE

To establish a policy regarding termination of electric service, including termination of service to low-income members and termination in certain weather conditions.

II. PROCEDURE

A. Authority

Pursuant to MD Corp & Assn Code § 5-641 (2020), a Member-Regulated Cooperative shall establish policies regarding termination of service.

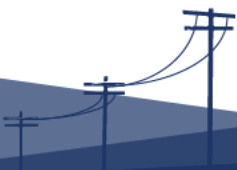
B. Definitions

1. Any capitalized terms not defined in this policy shall have the meaning assigned in COMAR section 20.31.01.02.
2. All references to the masculine include the feminine and the plural.

C. Member Responsibilities¹

1. Member Responsibility for Bills
 - a. A member shall be responsible for all past-due, current, and future bills for service provided to the member.
 - b. A member's failure to comply with the provisions of this section may subject that member to termination action by the Cooperative.
2. Upon receiving a notice of termination, any member may notify the Cooperative either before the date on which the termination is scheduled or within 14 days of receiving the notice, whichever occurs first, that he or an occupant of the premises is elderly, handicapped, seriously ill, or relies upon life-support equipment. The member shall obtain any necessary certification of status and shall inform the Cooperative of this occupant's name and address, if different than the member's, to temporarily prevent termination of service.
3. Notice to the Cooperative includes sending to the Cooperative a written statement of the status of the individual and sending to the Cooperative the required certifications not later than the scheduled date of termination of service.
4. A member who wishes to dispute the reasons for termination of service or to dispute his bill shall first contact the Cooperative and shall make every effort to resolve the dispute

¹ Mirrors COMAR 20.31.01.03 Member Responsibilities



with the Cooperative before filing a complaint. The complaint process is outlined in Board Policy 501: Member Complaints.

D. Cooperative Responsibilities²

1. A Cooperative may terminate electric service in accordance with the provisions of this policy. However, the Cooperative shall use its discretion in unusual circumstances, including a situation involving a master-metered building, and may not terminate service if it has reasonable grounds to believe that termination will endanger human health, life, or safety.
2. This policy contains minimum requirements, and the Cooperative may provide further protections for its members based on the specific circumstances.
3. The Cooperative shall provide its members with a reasonable opportunity to contest the proposed termination in accordance with this policy.
4. The Cooperative shall make information available to members on the following topics: grounds for termination of service, procedures for terminating and reconnecting service, members' rights and remedies in termination proceedings, alternate payment plans, and available resources and protections for members. Such information, including but not limited to this policy, shall be available on the Cooperative's website.³

E. Service Reconnection Charge⁴

1. If the Cooperative terminates service to a member in compliance with this policy, and the member requests reconnection, he shall be liable for the charge for reconnection of service contained in the Cooperative's tariffs and the past-due amount except as provided with respect to USPP-eligible members. Choptank's tariffs are publicly available on the Cooperative's website.
2. As part of the reconnection process, the Cooperative reserves the right to collect a deposit from the member.

F. Third-Party Notification⁵

1. The Cooperative shall inform its members of the availability of third-party notification, by which the member can designate a third person to receive notices of termination of service in addition to the member. The third party designated and notified in accordance with this section is not liable for the account of the member.
2. The designated third party may initiate appropriate action to prevent termination of the member's service.

G. Alternate Payment Plans⁶

1. Except as provided below, if a low-income member is unable to pay the charges for service, the Cooperative shall in good faith attempt to negotiate a reasonable alternate payment plan.
2. Except as provided below, if a member is unable to pay the charges for service, the Cooperative may in good faith attempt to negotiate a reasonable alternate payment plan.

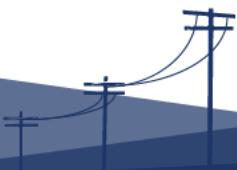
² Mirrors COMAR 20.31.01.04 Cooperative Responsibilities

³ Similar to COMAR 20.31.01.06 Termination Policy Statement

⁴ Similar to COMAR 20.31.01.05 Service Reconnection Charge

⁵ Mirrors COMAR 20.31.01.07 Third-Party Notification

⁶ Mirrors COMAR 20.31.01.08 Alternate Payment Plans



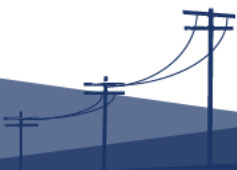
3. For purposes of this policy, "alternate payment plan" means a payment plan provided to avoid termination of service and retire all outstanding charges to the Cooperative.
4. The Cooperative may refuse to negotiate or offer an alternate payment plan if the member:
 - a. Failed to meet the terms and conditions of any alternate payment plan during the past 18 months including:
 - i. A USPP alternate payment plan; or
 - ii. A plan arranged under the EUSP;
 - b. Committed fraud against a utility;
 - c. Committed theft of electric service; or
 - d. Denied the Cooperative access to its equipment located on the member's property or premises.
5. When devising alternate payment plans, the Cooperative shall consider the circumstances and financial condition of the member including:
 - a. The size of the delinquent account;
 - b. The member's ability to pay;
 - c. The member's payment history;
 - d. The anticipated energy assistance benefits for which the member may be eligible;
 - e. The length of time that the debt has been outstanding;
 - f. The circumstances which resulted in the past due bills;
 - g. Hardships which may result from the lack of electric service to the member; and
 - h. Any other relevant factors related to the circumstances of the member.
6. If an alternate payment plan cannot be arranged, the Cooperative shall promptly notify the member.
7. If a member fails to adhere to the alternate payment plan, the Cooperative shall notify the member that termination procedures may be begun pursuant to this policy. A sample long-term payment arrangement letter is attached as Appendix A.

H. Insufficient Reasons for Terminations⁷

The following may not constitute sufficient cause for the Cooperative to terminate service to an existing member:

1. Failure of a previous member to pay for service at the premises to be served, unless the current or prospective member is in violation of one of the provisions of this policy;
2. Failure of the member to pay:
 - a. For merchandise purchased from the Cooperative;
 - b. For a public Cooperative service other than electric service;
 - c. For service that is used in other than dwelling units;
 - d. The bill of another member as guarantor of that other member;

⁷ Mirrors COMAR 20.31.02.01 Insufficient Reasons for Terminations.



- e. A bill which is delinquent for less than 3 months if the security deposit exceeds the amount of the estimated final bill for service;
- f. Any outstanding bill which is less than \$100, and which is delinquent for less than 3 months;
- g. Any undercharge for the period in excess of four months based on an incorrect meter reading; or
- h. An outstanding bill that is over seven (7) years old, unless the:
 - i. Member signed an agreement to pay the outstanding bill before the expiration of this period, or
 - ii. Outstanding bill is for service obtained by the member by fraud, misrepresentation, or failure to disclose material facts.

I. Terminations Requiring Notice⁸

The Cooperative may terminate service to a member for any of the following reasons, if the Cooperative complies with the following provisions:

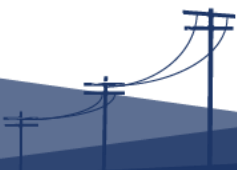
1. The member's noncompliance with the Cooperative's tariffs and terms and conditions;
2. Failure of the member to fulfill his contractual obligations for service;
3. Failure of the member to permit the Cooperative to have reasonable access to its equipment located on the member's premises;
4. Failure of the member to provide the Cooperative with a required deposit;
5. Failure of the member to furnish the service equipment, permits, certificates, or rights-of-way, as specified by the Cooperative as a condition to obtaining service or if the equipment or permissions are withdrawn or terminated.

J. Terminations Without Notice⁹

1. The Cooperative may terminate service without notice for any of the following reasons:
 - a. A condition on the premises determined by the Cooperative to be hazardous;
 - b. The use of equipment in such a manner as to affect adversely the Cooperative's equipment or the Cooperative's service to others;
 - c. Tampering with equipment furnished and owned by the Cooperative; or
 - d. Unauthorized use of service by any method, including diversion of electricity around a meter.
2. Records.
 - a. The Cooperative shall maintain, for not less than three (3) years, records that set forth the basis for its decision to terminate service under this section.
 - b. Upon request, the Cooperative shall provide to a local government or other regulator a list of the address(es) where service has been terminated for unauthorized use or tampering, on the condition that the information shall be:

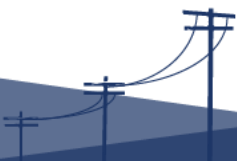
⁸ Mirrors COMAR 20.31.02.02 Terminations Requiring Notice

⁹ Similar to COMAR 20.31.02.03 Terminations Without Notice



- i. Used for the purpose of protecting the life, health, or safety of an individual occupying the premises where service has been terminated;
 - ii. Safeguarded to protect the privacy of an individual; and
 - iii. Destroyed by the local government within 30 days of its receipt.
 3. Where the Cooperative has terminated service for unauthorized use or tampering with equipment furnished and owned by the Cooperative, the Cooperative shall provide notice of the termination:
 - a. In a visible location at the premises;
 - b. With an occupant at the premises if safety permits; or
 - c. In a situation where the Cooperative representative on site determines that the situation is unsafe, the Cooperative may provide a notice to the occupant by mail and by telephone or email to the member if there is an active account.
 4. Sample notices of termination under this section are attached as Appendices B and C. Notices of termination shall include, at a minimum:
 - a. Contact information for Cooperative representatives that can explain the reason for the termination;
 - b. Safety notices regarding the use of portable generators, independent lighting and heating sources, and any other safety information;
 - c. Contact information for the Office of Home Energy Programs; and
 - d. A general statement that theft of electricity service is unlawful under Criminal Law Article, §§6-303 and 6-304, Annotated Code of Maryland.
- K. Termination with Seven (7) Days' Notice¹⁰
 1. Electric service may be terminated in accordance with this section if service at a dwelling unit has been secured in any manner described below:
 - a. Application was made in a fictitious name;
 - b. Application was made in the name of an individual who is not an occupant of the dwelling unit, without disclosure of the individual's actual address;
 - c. Application was made in the name of a third party without disclosing that fact or without bona fide authority from the third party;
 - d. Application was made without disclosure of a material fact or by misrepresentation of a material fact;
 - e. Application was made for connection of service to a dwelling where there are co-occupants, if a service account for that dwelling unit was previously maintained in a current co-occupant's name during a period of co-occupancy with the applicant and the co-occupant has failed to pay or make satisfactory arrangements to pay an outstanding bill or undisputed portion of a disputed bill for service at the dwelling unit, the collection of which is not barred under applicable State or federal law;
 - f. Application was made for connection of service to a dwelling unit where there are co-occupants, if the service account at a prior dwelling unit of the applicant was listed in a current co-occupant's name, and the co-occupant has failed to pay or to

¹⁰ Mirrors COMAR 20.31.02.04 Termination with 7 Days Notice.



make satisfactory arrangement to pay an outstanding bill or undisputed portion of a disputed bill for service at the prior dwelling unit, the collection of which is not barred under applicable State or federal law; or

- g. Application was made by an individual for the purpose of assisting another occupant of a dwelling unit to avoid payment of that occupant's prior outstanding bill.
2. For purposes of this section, "co-occupants" means two or more adults who occupy the same dwelling unit as their primary domicile or legal residence in Maryland.
 3. If service at a dwelling unit was secured in any manner described above, the Cooperative may give seven (7) days' notice that the service will be terminated, and may then proceed to terminate service subject to the dispute provisions below. A sample seven-day termination letter is attached as Appendix D. The notice shall state:
 - a. The manner in which service was secured;
 - b. The approximate time period during which the service was used;
 - c. A summary of the facts or circumstances upon which the Cooperative bases its determination that a termination is warranted; and
 - d. The amount of any outstanding bill.
 4. If a bona fide occupant of the premises subject to termination under this section is seriously ill, the provisions regarding Serious Illness and Life-Support Equipment, below, shall supersede the provisions of this section.
 5. If a member disputes the proposed termination, the member shall do so in accordance with the complaint process outlined in Board Policy 501: Member Complaints.
- L. Termination Procedures¹¹
1. Except as otherwise provided herein, the Cooperative shall terminate service in accordance with the provisions of this section.
 2. Commencing Termination Procedures
 - a. The Cooperative may commence termination procedures only if it has made reasonable attempts to collect the past-due bills using normal collection procedures. A sample delinquent door tag notice is attached as Appendix E.
 - b. "Normal collection procedures" shall include collection practices normally used by the Cooperative and shall include at least one notice that the bill in question is past due.
 3. The Cooperative shall send a notice of termination to the member at least 14 days before the date on or after which termination will occur.
 4. Notices of termination shall be delivered in person or sent by first class mail, and shall be sent to the name and address of the person in whose name the account is held.
 5. If the member has designated a third person to receive termination notices, the notices of termination shall be sent to the designated third person as well as to the member.
 6. The Cooperative shall advise the member of the availability of alternate payment plans or other resources offered by the Cooperative.

¹¹ Mirrors COMAR 20.31.02.05 Termination Procedures

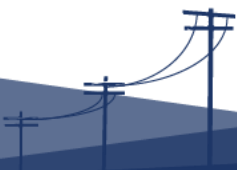
7. If a member disputes the proposed termination, he shall do so in accordance with the complaint process outlined in Board Policy 501: Member Complaints.
8. The Cooperative may terminate service if it is prepared to accept payment of the amount due and to reconnect service on both the day of termination and the day subsequent to termination, except that termination of service on a Saturday is permissible in those special situations where the service must be terminated at a meter inside the premises and where the Cooperative has previously and unsuccessfully attempted to gain access to the meter on at least two weekdays.
9. The notice of termination is generated by the Cooperative's billing system. Notices of termination¹² shall include, at a minimum:
 - a. The name and account number of the member whose service is to be terminated;
 - b. The address of the premises where service is to be terminated;
 - c. A statement of the reasons for the proposed termination;
 - d. The date on or after which the proposed termination will occur;
 - e. The charges for reconnection of service, if any;
 - f. A statement of the total amount due, if applicable;
 - g. A statement of the member's rights and remedies, which shall include a summary of the dispute procedures, the office address of the Cooperative, and the telephone numbers at which the Cooperative representatives who handle member complaints may be reached;
 - h. A statement that it is the responsibility of the member to notify the Cooperative if he is unable to pay for service in accordance with the requirements of the Cooperative's billing practices; and
 - i. A statement that it is the responsibility of the member to notify the Cooperative that he, or an occupant of the premises, is elderly, handicapped, has a serious illness, or relies upon life-support equipment; a brief explanation of the special provisions regarding elderly, handicapped, or persons seriously ill or relying on life-support equipment; and an explanation of notification procedures.

M. Users Without Account¹³

1. For purposes of this section, a "user without account" is a person or persons in possession of a residential property that is using regulated Cooperative service without an active account and is not otherwise subject to termination under this policy.
2. The Cooperative may not terminate service to a user without account without adhering to this section.
3. Upon discovering a user without account, the Cooperative shall provide written notice to the occupants at the residential property:
 - a. Not less than three (3) days prior to service termination; or
 - b. By mail not less than seven (7) days prior to service termination.

¹² Mirrors COMAR 20.31.02.06 Text of the Notice of Termination.

¹³ Mirrors COMAR 20.31.02.07 User Without Account.

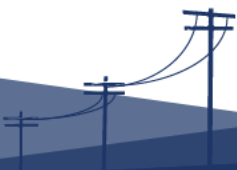


4. A sample user without account notice is attached as Appendix F. The notice shall include, at a minimum:
 - a. The Cooperative's name and phone number;
 - b. A statement that the notice is a shut-off notice;
 - c. The address to which the notice applies;
 - d. A statement that the company is aware that service is being used from the address without an open account;
 - e. An invitation to apply for service as soon as possible; and
 - f. The date by which an application for service must be submitted to avoid service termination.
- N. Restrictions for Serious Illness and Life-Support Equipment¹⁴
1. Electric service may not be terminated for an initial period of up to 30 days beyond the scheduled date of service termination when the termination will aggravate an existing serious illness or prevent the use of life-support equipment of any occupant of the premises, subject to the provisions of this section. A sample letter from the Cooperative to the member explaining the program is attached as Appendix G.
 2. Certification Requirement.
 - a. A serious illness or the need for life-support equipment shall be certified to the Cooperative by:
 - i. A licensed physician;
 - ii. A certified nurse practitioner; or
 - iii. A physician assistant.
 - b. The Cooperative's form for the physician, a certified nurse practitioner, or physician assistant to certify a serious illness or the need for life support equipment under this section is attached as Appendix H. The cover letter from the Cooperative to the member is attached as Appendix I.
 - c. The Cooperative shall accept a certification from a licensed physician, a certified nurse practitioner, or a physician assistant of a serious illness or need for life support equipment under this section.
 - d. The certification shall be in writing and include:
 - i. The name and address of the seriously ill person;
 - ii. A statement that the seriously ill person or person in need of life support equipment is the member or an occupant of the premises;
 - iii. The name, address, telephone number, physician or certified nurse practitioner license number, and signature of the certifying physician, certified nurse practitioner, or physician assistant; and
 - iv. A statement that termination will aggravate a serious illness or prevent the use of life-support equipment.

¹⁴ Similar to COMAR 20.31.03.01 Restrictions for Serious Illness and Life-Support Equipment.

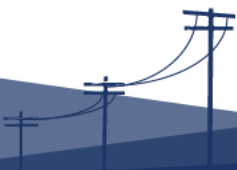
- e. The Cooperative shall accept the certification either in paper form or by facsimile or as a scanned original attached to an email from the provider's office. The letter from the Cooperative verifying receipt of the certification and confirming participation in the program is attached as Appendix J.
 3. The certifying physician, the certified nurse practitioner, the physician assistant, or the member may initially telephone the Cooperative of the intent to obtain certification. The required certificate is to be forwarded to the Cooperative not later than the day before the scheduled date for termination of service.
 4. The member shall promptly, within 30 days of submitting a certification under this section, enter into an agreement with the Cooperative for the payment of the unpaid bills and current amounts due for service in accordance with the Alternate Payment Plans section above.
 5. Certification must be renewed annually by providing another certificate to the Cooperative, including updated information. Failure to submit a certification each year may result in a member's removal from the program. See Appendix K for a sample removal letter. Renewal of a certification may not relieve the member of responsibility to enter into or to maintain an existing payment agreement.
 6. Sufficiency of Certification. If the Cooperative questions the adequacy or integrity of the certification provided, the Cooperative may refuse to honor the certification if:
 - a. The certification form is not completed;
 - b. The certification form is not signed by a licensed physician, certified nurse practitioner, or physician assistant; or
 - c. The certification form appears to have been altered; or
 - d. The certification appears to be inadequate for another reason.
 7. The Cooperative may terminate electric service to the premises of a member under this section only if the Cooperative:
 - a. Between the date the notice of termination is mailed to the member and the date on or after which service is to be terminated, at a minimum, attempts to make personal contact with the member on two separate occasions, each of which shall occur on a separate date;
 - b. Attempts to make personal contact with the member by either:
 - i. Telephoning the member; or
 - ii. Visiting the premises and leaving a copy of the notice of termination with the member or a responsible person 18 years old or older at the premises, or, if no one is at home, leaving a copy of the notice at the premises; and
 - c. Documents each attempt to make personal contact under this section.
 8. If personal contact is made, the Cooperative shall inform the member of possible sources of financial assistance and the availability of alternate payment plans or other payment arrangements offered by the Cooperative.
- O. Restrictions for Elderly or Handicapped Individuals¹⁵

¹⁵ Mirrors COMAR 20.31.03.02 Restrictions for Elderly or Handicapped Individuals.



1. Upon receiving notice from the member that he or an occupant of the premises to which the service is going to be terminated is an elderly or handicapped individual, the Cooperative may terminate service to that premises only in accordance with the provisions of this section.
 2. Between the date the notice of termination is mailed to the member and the date on or after which service is to be terminated, the Cooperative shall, at a minimum, attempt to make personal contact with the member on two separate occasions, each of which shall occur on a separate day.
 3. The Cooperative's attempt to make personal contact with the member shall be by either:
 - a. Telephoning the member; or
 - b. Visiting the premises and leaving a copy of the notice of termination with the member or a responsible person 18 years old or older at the premises, or if no one is at home, leaving a copy of the notice at the premises.
 4. The Cooperative shall document each attempt to make personal contact under this section.
 5. If personal contact is made, the Cooperative shall inform the member of possible sources of financial assistance and of the availability of alternate payment plans offered by the Cooperative.
- P. Winter Restrictions¹⁶
1. The Cooperative may not terminate electric service to occupants of residential buildings for nonpayment of bills during the period November 1 through and including March 31 of the immediately succeeding calendar year unless the Cooperative first verifies, in its discretion, that the termination does not constitute a threat to the life or health of the residential occupants.
 2. The Cooperative shall verify and document in an affidavit, a sample of which is attached as Appendix L:
 - a. The name of the member whose service is to be terminated and the address of the premises involved;
 - b. That the member has been notified both in writing and by personal contact, if made, of his rights and remedies as stated in the Termination Procedures section, above, and has been informed of possible sources of financial assistance and the availability of alternate payment plans and the USPP offered by the Cooperative;
 - c. The dates on which personal contact with the member or an adult member of the household was made or attempted;
 - d. The reason for the termination;
 - e. Whether the member is a participant in the USPP or the Electric Universal Service Program;
 - f. Whether the member claims an occupant of the dwelling unit is elderly, handicapped, seriously ill, or dependent upon the use of life-support equipment and, if so, that the Cooperative has complied with the applicable provisions of this policy;

¹⁶ Similar to COMAR 20.31.03.03 Winter Restrictions.



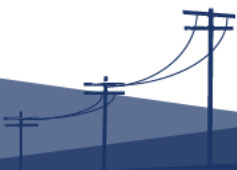
- g. That the amount of the arrearage for which termination is sought is greater than \$200 and the total amount due is greater than the amount of the member's deposit with the Cooperative; and
 - h. That a copy of the affidavit has been forwarded to the Department of Human Services, Office of Home Energy Programs and the local administering agency, if the member has been certified to the Cooperative as eligible for MEAP or EUSP Assistance.
3. Affidavits are valid for 12 days after the most recent personal contact with the member was made or attempted. Affidavits are tracked and stored by the Member Services Department.
 4. Personal Contact with Member
 - a. For any termination occurring within the above wintertime period, the Cooperative shall, at a minimum, attempt to make personal contact with the member twice between the date the notice of termination is mailed to the member and the date on or after which service is to be terminated.
 - b. The Cooperative's attempt to make personal contact under this section shall occur on two separate days.
 - c. The Cooperative's attempt to make personal contact with a member shall be by either:
 - i. Telephoning the member; or
 - ii. Visiting the premises and leaving a copy of the notice of termination and a pamphlet which explains the member winter termination rights, including the USPP, with the member or a responsible person 18 years old or older at the premises, or if no one is home, leaving a copy of the notice and pamphlets at the premises. A sample first notice is attached as Appendix M. A sample second notice is attached as Appendix N.
 - d. The Cooperative shall document each attempt to make personal contact under this section.
 - e. Financial Assistance. If personal contact is made, the Cooperative shall inform the member of possible sources of financial assistance and of the availability of alternate payment plans and the USPP offered by the Cooperative.
 5. Temporary Restriction. In addition to the provisions of this section above, the Cooperative may not terminate service because of nonpayment to any member in a Cooperative's designated weather station area for that member in which the forecast temperature made at 6 a.m. is 32 degrees Fahrenheit or below in that weather station area during an extreme weather period.

Q. Temporary Residential Summer Restriction¹⁷

The Cooperative may not terminate electric service because of nonpayment, for any member occupying a residential building, for which the temperature forecast made for the Cooperative's weather station area for that member at 6 a.m. is 95 degrees Fahrenheit or above in that weather station area during an extreme weather period.

R. Designations of Weather Station Areas¹⁸

¹⁷ Mirrors COMAR 20.31.03.04 Temporary Residential Summer Restriction.



The Cooperative shall designate a list of one or more weather station areas within its service territory which specifies the portion of the Cooperative's service territory covered by each weather station area for the purpose of complying with the weather-related provisions of this policy.

S. Occupants of a Master-Metered Building¹⁹

1. This section applies to terminations of service in master-metered buildings.
2. Choptank does not currently serve any master-metered buildings. If any such buildings are added to the service territory in the future, the Cooperative shall make reasonable, documented efforts to notify occupants of an impending termination of service.

T. Electric Universal Service Program (EUSP)

1. Choptank members may qualify for energy assistance through the EUSP.
2. Choptank members may apply for the EUSP through the Maryland Energy Assistance Program (MEAP) administered by the Maryland Department of Human Services.
3. A sample EUSP enrollment letter is attached as Appendix O. Sample letters notifying of removal from the EUSP are attached as Appendix P.

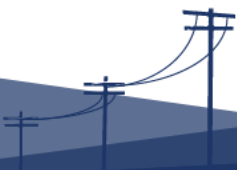
U. Utility Service Protection Program (USPP)²⁰

1. This section governs terminations and reconnections of electric service for residential members qualifying for the USPP. Although Choptank, as a Member-Regulated Cooperative, is not required to comply with COMAR 20.31.05, Choptank chooses to extend to its members the same or substantially similar protections afforded by the USPP.
2. Definitions. In this section, the following terms have the meanings indicated:
 - a. "Arrearage" or "outstanding arrearage" means amounts owed by a member for electric service other than the most current billing cycle usage.
 - b. "Heating season" means billing months of November through March of successive calendar years.
 - c. "MEAP" means the Maryland Energy Assistance Program administered by the Maryland Department of Human Services.
 - d. "MEAP eligible" means a Cooperative member who has met the criteria established by the Maryland Energy Assistance Program for receipt of an energy assistance grant.
 - e. "Poverty levels" or "percentages of poverty" means the income guidelines used by the Department of Human Services to establish income eligibility for MEAP grants.
 - f. "Program participant" means a member who has met all eligibility requirements, completed all application procedures, and is enrolled in the USPP.
3. Program Terms
 - a. The Cooperative shall provide and administer this USPP.
 - b. Before November 1 of each year, the Cooperative shall advise members of the availability of the USPP through all of the following:

¹⁸ Similar to COMAR 20.31.03.05 Designations and Approval of Weather Station Areas.

¹⁹ See COMAR 20.31.03.06 Occupants of a Master-Metered Building.

²⁰ Similar to COMAR 20.31.05 Utility Service Protection Program.



- i. The Cooperative's Member Guide, which provides a description of the USPP.
- ii. A pamphlet explaining the USPP.
- iii. Normal collection procedures.
- iv. A letter to all electric members whose service was terminated since the last heating season and not reconnected. The letter should include:
 - The provisions of the USPP;
 - The amount of the member's arrearage;
 - The conditions for service reconnection; and
 - Information regarding the availability and sources of assistance for which the member may qualify.
- v. Other reasonable promotional efforts.

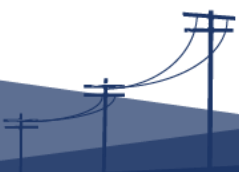
4. Eligibility

Cooperative members eligible for energy assistance from the MEAP are eligible for participation in the USPP, provided that the member:

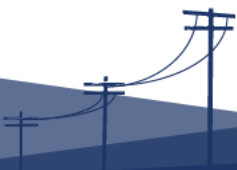
- a. Complies with the application procedures set forth in this section; and
- b. Secures reconnection of any terminated electric service by making the designated payment for outstanding arrearages described below.

5. Application Procedures

- a. For participation in the USPP, a member shall apply for the MEAP for Choptank Electric Cooperative.
- b. Completed applications forwarded by MEAP to the Cooperative shall include:
 - i. A written certification from MEAP that the applicant has applied and is eligible for MEAP; and
 - ii. A written designation from MEAP of the applicant's poverty level and grant amount payable to the Cooperative.
- c. The applicant shall sign a form requesting participation in the USPP and agreeing to:
 - i. Comply with the terms of the USPP;
 - ii. Make payments pursuant to an annual payment plan which is specific to the member and calculated as described below; and
 - iii. Make payments pursuant to a supplemental payment plan to retire any accumulated arrearages under Alternative Payment Plans. The Cooperative shall consider the poverty level of the household as determined in the MEAP application in establishing the amount of the required monthly payment to liquidate arrearages.
- d. At the time of application, an applicant shall be notified of all protections and responsibilities accorded under this section. Applicants eligible for protection under the provisions below shall be notified of the \$40 per month minimum payment provision, and that any amount due to the Cooperative in excess of the minimum payment requirement shall be payable during the ensuing non-heating season.



- e. An applicant shall be promptly notified by the Cooperative of his acceptance into the USPP and be provided with a copy of the equal monthly payment plan designated for that applicant. A sample USPP enrollment letter is attached as Appendix Q.
 - f. The Cooperative shall reimburse the MEAP for its administrative costs of taking applications from program participants and forwarding them to the Cooperative. The charge shall be as established by the Commission upon request by MEAP.
6. Equal Monthly Payment Plan
- a. An equal monthly payment plan based on the estimated cost of average annual Cooperative usage minus annual MEAP benefits payable to the Cooperative shall be used as the basis to determine appropriate payments for participation in the USPP.
 - b. Monthly payments shall be calculated as follows:
 - i. The Cooperative shall calculate average annual cost based on a 12-month history of the member's dwelling or a comparable dwelling;
 - ii. The average annual cost shall be reduced by the amount of the participant's MEAP benefit; and
 - iii. The estimated annual cost shall be divided by 12 to give the monthly payment obligation.
 - c. The monthly bill shall separately state each of the following:
 - i. The combined amount due under the equal monthly payment plan;
 - ii. The actual usage for the month; and
 - iii. The cost of the actual usage for the month.
 - d. The estimated annual obligation shall be re-calculated at least once a year to reflect actual member consumption. If actual usage exceeds the average monthly billing, the excess may be amortized over future monthly payments.
7. USPP Terminations of Service
- a. If a member fails to make a payment in compliance with his equal monthly payment plan, the Cooperative shall provide at least one warning notice that the payment is past due and that nonpayment of two consecutive bills shall render the member subject to removal from the USPP and service termination. A sample missed payment letter is attached as Appendix R.
 - b. Except as otherwise provided below, a member may be removed from the USPP and subject to service termination if the member fails to pay, on two consecutive monthly due dates, the amount due. Sample letters notifying of removal from the USPP are attached as Appendix S.
 - c. Notwithstanding a member making payments in compliance with his equal monthly payment plan, the member may be subject to service termination when applicable grounds exist under the Terminations Without Notice or Termination with 7 Days' Notice sections above.
 - d. In initiating service termination, the Cooperative shall comply with the termination provisions of this policy before any termination of service may occur.
 - e. Unless applicable grounds exist under the Terminations Without Notice or Termination with 7 Days' Notice sections above, if a participant's MEAP application



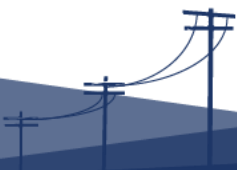
establishes that the participant will receive a MEAP benefit for a household that is at or below 50 percent of poverty, the participant may not be terminated from service between November 1 and March 31 if the participant has paid to the Cooperative, exclusive of any MEAP grant, on or after November 1 a cumulative amount which is at least equal to \$40 times the number of full months between November 1 and the proposed termination date. Before termination, the Cooperative shall inform a participant of this option, and provide at least 10 working days' notice to the participant to meet this minimum payment requirement.

8. USPP Reconnection of Service

- a. A member eligible for participation in the USPP who is not receiving electric service shall have his electric service reconnected for the purpose of participation in the USPP, provided that the member:
 - i. Is certified eligible for MEAP assistance;
 - ii. Complies with the application procedures of this section; and
 - iii. Makes the designated payment for outstanding arrearages as described above.
- b. Amount of Payment.
 - i. A member who has not previously participated in the USPP shall pay an amount sufficient to reduce the outstanding arrearage to \$400.
 - ii. A member who has previously participated in and has been removed from the USPP shall pay the greater of:
 - An amount sufficient to reduce outstanding arrearage to \$400; or
 - The amount covering the monthly installments in arrears in the member's equal monthly payment account and supplemental payment account at the date of reconnection.
- c. First-Time Applicants
 - i. First-time applicants for the USPP program may elect to apply all or part of the MEAP benefit to past arrearages to qualify for participation in the USPP after all other emergency funds, public and private, for which the client is eligible have been used.
 - ii. In the case of such an election, the equal monthly payment shall be based on estimated annual consumption less any remaining MEAP benefits.
 - iii. An election is for one time only, and for subsequent benefits the MEAP benefit may not be used to reduce arrearages. Choptank may pursue a waiver of this section if it is determined to be in the best interest of the Cooperative and its members.
- d. A reconnection fee or additional security deposit may not be charged to members who meet the requirements for reconnection described in this section.

9. Data Collection

In order to evaluate the impact of the USPP, the Cooperative shall compile and maintain program data.



III. RESPONSIBILITY

The President & CEO is responsible for administering this policy.

This policy supersedes all previous versions of the policy and all other instructions dated prior to this policy and in conflict with its provisions.



Jeffrey D. Rathell, Sr.
Chairman

REVISION HISTORY

Revision Number	Effective Date	Description of Changes
1	8/19/20	New document. Incorporates Management Policy 600-801 (Termination of Service to Residences During Winter Months) and Management Policy 600-920 (The Utility Service Protection Plan).

