

CHOPTANK ELECTRIC COOPERATIVE, INC.

DENTON MARYLAND

TERMS AND CONDITIONS

CHOPTANK ELECTRIC COOPERATIVE, INC.

TERMS AND CONDITIONS

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GENERAL

These Terms and Conditions are supplementary to the "Regulations Governing Service Supplied by Electric Companies" of the Public Service Commission of Maryland, filed rate schedules of the Cooperative, and the provisions set forth in the Bylaws.

Schedules of the Cooperative's rates are filed with the Public Service Commission of Maryland and are available for inspection at the Cooperative's offices in Berlin, Cambridge, Denton, Pocomoke, Salisbury, and Chestertown. The Headquarters office is located in Denton, Maryland.

The Terms and Conditions are intended to promote safe and adequate service to the public and to provide standards in accordance with nationally recognized industry standards for uniform practices.

These Terms and Conditions are a part of every contract for service and govern all classes of service unless otherwise specifically stated. These terms and conditions may be changed from time to time in accordance with rules and procedures of the Public Service Commission. No representative of the Cooperative has authority to modify any rules or provisions of rules of the Public Service Commission or modify the conditions of the Terms and Conditions. Unusual situations shall be covered by a contract and signed by the President/CEO. The failure of the Cooperative to enforce any of the provisions of these rules of the Terms and Conditions shall not be considered a waiver of its right to do so.

The interpretation of these Terms and Conditions as to intent and applicability will be made by the Cooperative subject to approval of the Maryland Public Service Commission.

Issued March 30, 2004

Effective September 1, 2004

GENERAL - CONTINUED

The Cooperative shall not be liable for damages resulting from the presence of electric current in any form or condition or the Cooperative's equipment on the member's premises, or from the use of the service of the Cooperative by the member.

Persons obtaining electric distribution service from the Cooperative must become a member, unless the Cooperative shall make an exception. Those persons obtaining energy supply service from other electricity suppliers are considered to be Type II members of the Cooperative.

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APPLICATION FOR SERVICE

Any person, firm, association, corporation, or public body (including State and Federal Government) desiring electric service must sign a membership application.

The member desiring service shall consult with the Cooperative before proceeding with plans for installation or replacement, regarding the class of service, its availability, the exact point of service entrance, the point of service attachment and the meter location.

The Cooperative will endeavor to give assistance in completing the service connection as promptly as possible.

The Cooperative may reject any application for service if the applicant does not meet any and all requirements of the Cooperative.

Service will be rendered only when all bills for previous service to the member have been paid or arrangements have been made with the Cooperative to satisfy outstanding balances.

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Effective May 1, 2001

STANDARD SUPPLY VOLTAGES

One system of alternating current, 60 cycles per second, is supplied throughout the Cooperative's system.

The voltage, number of phases, and type of metering which will be supplied depends upon the Cooperative's facilities available and upon the character, size and location of the electric load to be served. Therefore, the member shall consult the Cooperative before proceeding with the purchase or installation of wiring or equipment. To avoid misunderstanding, this information shall be in writing.

The standard secondary voltages described below are nominal and are subject to a plus or minus 5% variation.

Single phase, 3-wire, 120/240 volts (250 KVA or less) This is generally supplied for services such as lighting and small power purposes (114-126 volts on a 120 volt basis).

Three phase, 4-wire, Wye, 208Y/120 volts This is generally supplied for both lighting and power services where the size and characteristics of the load make it advisable.

Three phase, 4-wire, Delta, 120/240 volts (from overhead lines only) This is generally supplied for both lighting and power services where the size and characteristics of the load make it advisable.

Three phase, 4-wire, Wye, 480Y/277 volts. This is generally supplied for both lighting and power services where the size and characteristics of the load make it advisable.

The standard primary voltages described below are nominal and are subject to a plus or minus 7 1/2% variation.

Three phase, four wire, 12470Y/7200 volts

Three phase, four wire, 24490Y/14400 volts

Others as available

It will not be considered a violation when voltages outside of the prescribed limits are caused by any of the following:

- a. Action of the elements
- b. Service interruptions
- c. Temporary separation of parts of the system from the main system
- d. Infrequent fluctuations not exceeding 5 minutes' duration
- e. Transmission and/or generation emergency/unavailability
- f. Other causes beyond the control of the Cooperative

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SERVICE CONDITIONS

Normally, only one service lateral will be installed to serve a building. The service must be installed at a point acceptable to the Cooperative.

The Cooperative reserves the right to refuse connection to a service if it has not been placed at a location specified by the Cooperative or does not meet electrical and building code requirements as established by the authority having jurisdiction.

On completion of installation and pending inspection by the Inspection Agency and final connection of the electric service by the Cooperative, the member's service control switch shall be in the open, or disconnected, position.

Service conductors, meters and other Cooperative equipment shall not be connected or disconnected by electrical contractors or others. If such connection is made by unauthorized persons, the service will be subject to immediate disconnection without notice to the member. The Cooperative will not be liable for any loss or damage resulting either from unauthorized connection of service or from consequent disconnection of the service by the Cooperative.

If it becomes necessary to change, due to regulatory authority, the location or character of the service including undergrounding, then the Cooperative, at its own expense, shall make such changes in its service wires, and the member, at his expense, shall make changes in his service entrance and wiring as are necessary.

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Effective May 1, 2001

103 - SERVICE CONDITIONS - Continued

The member shall present in writing complete specifications of equipment, loads, location plans, vaults, substations, and other data required so that the Cooperative may specify the character of the service it will furnish, the point at which it will be connected and metered and any other requirements associated with the special conditions of the service.

In the case of single phase secondary underground service, the Cooperative will furnish the meter and install the service wires to the point of metering. The member will furnish all other service entrance equipment and will furnish and install an approved meter socket. There will be an additional charge for metering and any other system requirements greater than 200 amperes or services having "excess" inrush current.

A standard residential service shall be restricted to a maximum of 60 amperes inrush current to avoid voltage flicker being imposed upon both the member's service and the Cooperative's system.

The member shall provide and maintain a safe and substantial support for the Cooperative's service wires and in no case will the Cooperative be responsible for the condition of any member's facilities to which the wires are attached.

The service must be installed at a point acceptable to the Cooperative and located so that the service wires will not interfere with fire escapes, windows, shutters, doors, or other parts of the buildings and will not be readily accessible to persons at windows, doors, etc, thereby allowing connection of new service wires in conformance with both the National Electrical Safety Code (NESC) and the National Electrical Code (NEC).

NEW LINE AND SERVICE EXTENSIONS

1. GENERAL

The Cooperative will extend its electric lines for standard service in accordance with the general practices described in these Terms and Conditions. The new line and service extension policies described apply only to one initial service on a property. If any extension is required after the initial service, the applicant will pay the full cost of the additional extension including transformers and meters.

The Cooperative will construct, own, operate, and maintain an electric distribution system only along public streets, roads and highways which it has the legal right to occupy and on public lands and private property across which right-of-way easements can be obtained without cost or condemnation, in reasonable time to meet service requirements.

Right-of-ways and easements must be cleared of trees, tree stumps, and other obstructions at no charge to the Cooperative and must be graded to within 6 inches of final grade by the applicant before the Cooperative will begin construction.

It will be the responsibility of the persons desiring service to assist in obtaining all right-of-way easements and permits and to meet all other requirements as described in these Terms and Conditions.

Extensions will only be made when membership applications have been signed, right-of-way easements have been signed and payment made and all conditions required by these Terms and Conditions have been met. If the applicant desires a meter to be located other than at the nearest corner of the building nearest to the Cooperative's facilities or requests a cable route other than in a straight line from the Cooperative's facilities, there shall be a charge for the excess.

No charges made for line extensions shall be refundable unless specifically

provided for in these rules.

Filed March 30, 2004

NEW LINE AND SERVICE EXTENSIONS

2. Single Phase Line Extensions to Permanent Residential Buildings, Permanent Mobile Homes and Permanent Farm Buildings

In order to qualify under this extension policy, there must be a building of substantial investment constructed on a permanent foundation, and it must be intended to use a substantial amount of electricity every month of the year.

A standard electric line extension on an applicant's property to a residence from the road to a point along the wall of the residence nearest the point where the electric service enters the property will be constructed for a charge of \$ 500.00 plus \$ 9.00 per foot of line required on the applicant's property for a standard single phase 200 amp service. The line extension may be single phase, 2 Awg, 15 kv, etc. but the secondary charge is based upon a 200 amp service. If the applicant specifies a different service connection point at the building, then he will be charged the estimated excess cost.

If an extension is necessary to connect from the applicant's property to an existing Cooperative line, there will be a charge of one dollar (\$1.00) per foot for any required line that is not located along a dedicated public road.

Measurements for obtaining the costs to the applicant shall not include any public road crossing adjoining the applicant's property.

104 - NEW LINE AND SERVICE EXTENSIONS

2. Single Phase Line Extensions to Permanent Residential Buildings, Permanent Mobile Homes and Permanent Farm Buildings - Continued

This policy shall not apply for lines to islands or other comparably inaccessible locations which cannot be installed via normal trenching construction methods.

Filed March 30, 2004

NEW LINE AND SERVICE EXTENSIONS

3. Line Extensions to Permanent Commercial, Industrial, Multiple Occupancy, Residential Subdivisions and Mobile Home Parks of Individual Lot Ownership

A. Line on applicant's property

The applicant must pay a construction charge of the total estimated cost of all line extensions required. The cost of the transformer and meter shall not be included for the first extension, however, for all additional line extensions on the applicant's property the meter and transformer will be included in the cost.

B. Line not available on applicant's property

1. Single Phase – In addition to A above, the applicant must pay the estimated cost of all connecting line required that is not located along a dedicated public road.
2. Three Phase – In addition to A above, the applicant must pay the estimated cost of the extension.

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Effective March 1, 2011

President/CEO

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President/CEO

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President/CEO

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NEW LINE AND SERVICE EXTENSIONS

4. Line Extensions for Limited or Periodic Usage of Electric Service

The Cooperative will extend or change its facilities for limited or periodic usage under any of its rate schedules (but without contract term) upon payment in advance by the applicant of the estimated cost of installation and removal, less estimated salvage, of all equipment installed for such use but not less than would have been paid for permanent service. Title to all of said equipment is vested in the Cooperative.

This policy shall include service to such installations as animal feed lots, grain dryers, irrigation, hunting lodges, seasonal cottages, water pumps and other use of electric service with a limited or periodic usage.

5. Line Extensions for Temporary Electric Service

An applicant must pay the full estimated cost of construction and removal of any temporary facilities. A credit will be allowed for any materials that can be salvaged.

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President/CEO