

GIBSON ELECTRIC MEMBERSHIP CORPORATION
SCHEDULE OF RULES & REGULATIONS
Revised June 5, 2017

Applicable to all Classes of Service

- 1. APPLICATION FOR SERVICE:** Each prospective member desiring electric service shall meet Gibson EMC's requirements for application for service or contract before service is supplied by Gibson EMC.

- 2. DEPOSIT:** A deposit or suitable guarantee may be required of any member before electric service is supplied. Gibson EMC offers the PAY-Go option (with no required deposit) as well as a traditional deposit payment option. Upon termination of service, any deposit may be applied by Gibson EMC against unpaid bills of member, and if any balance remains after such application is made, said balance shall be refunded to member. Deposits shall earn interest from the date of deposit based on the average interest rates of a passbook savings account at the local banks. Upon written request by the member or at the discretion of Gibson EMC, the deposit balance including earned interest may be re-evaluated based on the most recent electricity usage and costs.

For additional information regarding the Deposit, see Member Service Policy #8.

- 3. POINTS OF DELIVERY:** The point of delivery is the point, as designated by Gibson EMC, on member's premises where service is to be delivered to building or premises. All wiring and equipment beyond this point of delivery shall be provided and maintained by member at no expense to Gibson EMC. Certain wiring and equipment beyond the point of delivery, as may be agreed upon between the member and Gibson EMC, could be provided and maintained by Gibson EMC, with the member paying a monthly investment charge determined by Gibson EMC.

- 4. MEMBER'S WIRING – STANDARDS:** All wiring of member must conform to Gibson EMC's requirements and accepted modern standards, as exemplified by the requirements of the National Electrical Safety Code and the National Electrical Code.

- 5. INSPECTIONS:** Gibson EMC shall have the right, but shall not be obligated, to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with Gibson EMC's standards; but such inspection or failure to inspect or reject shall not render Gibson EMC liable or responsible for any loss or damage resulting from defects in the installation, wiring, or appliances, or from violation of Gibson EMC's rules, or from accidents which may occur upon member's premises.
- 6. UNDERGROUND SERVICE LINES:** Members desiring underground service lines from Gibson EMC'S overhead system must bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by Gibson EMC on request.
- 7. MEMBER'S RESPONSIBILITY FOR GIBSON EMC'S PROPERTY:** All meters, service connections, and other equipment furnished by Gibson EMC shall be, and remain, the property of Gibson EMC. Member shall provide a space for, and exercise proper care to protect the property of Gibson EMC on its premises, and, in the event of loss or damage to Gibson EMC'S property arising from neglect of member to care for same, the cost of the necessary repairs or replacements shall be paid by member.
- 8. RIGHT OF ACCESS:** Gibson EMC's identified employees or agents shall have access to member's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, or exchanging any or all equipment belonging to Gibson EMC.
- 9. BILLING FOR MEMBERS NOT ON GIBSON EMC PAY-GO PROGRAM:** Bills will be rendered monthly and shall be paid at office of Gibson EMC or at other locations designated by Gibson EMC. Failure to receive bill will not release member from payment obligation. Should bills not be paid by due date, Gibson EMC will communicate a notice to member advising that service is scheduled for disconnection. Disconnections will be made no earlier than 10 days from due date. Bills paid on or before the end of the net bill period shall be payable at the net rates, but thereafter the gross rates shall apply, as provided in Member Service Policy #9.

For additional information regarding billing practices and Gibson EMC's PAY-Go program, see Member Service Policy #9.

10.DISCONTINUANCE OF SERVICES BY GIBSON EMC: Gibson EMC may refuse to connect or may discontinue service for violation of any of its Rules and Regulations, or for violation of any of the provisions of the Schedule of Rates and Charges or of the application of member or contract with member. Gibson EMC may discontinue service to member for the theft of service or the appearance of service theft devices on the premises of member. The discontinuance of service by Gibson EMC for any causes as stated does not release member from his obligation to Gibson EMC for the payment of minimum bills as specified in the application of member or contract with member.

Gibson EMC will not disconnect electric service when extreme weather conditions are observed or predicted by the National Weather Service (source www.weather.gov for zip code 38382) as follows: if there is an Excessive Heat Warning/Advisory, or if the high temperature is predicted not to exceed 32 degrees for the day.

Upon Gibson EMC's approval of Gibson EMC's Priority Service Certification & Medical Necessity Form, disconnection of service will be postponed for 14 days from the original scheduled disconnection date to allow member time to make payment or alternative shelter arrangements. The medical necessity form must be completed by a medical doctor or nurse practitioner licensed to practice in the state of Tennessee certifying that the disconnection of electric service would create a life-threatening medical situation for the member or other permanent resident of the member's household. It is the responsibility of the member to ensure that the form has been approved by Gibson EMC. A life threatening medical condition does not relieve a member of the obligation to pay for electric service, including any late fees incurred or other applicable charges. Gibson EMC will only grant this postponement for termination three times in a twelve month period upon request of the member. If full payment of the past due amount, including all late fees, is not received by the end of the 14 day postponement period, electric service will be disconnected without further notice. It is the responsibility of the member to notify Gibson EMC if the member no longer meets these qualifications.

For additional information regarding the Discontinuance of Services, see Member Service Policy #9.

- 11.RECONNECTION CHARGE:** Whenever service has been discontinued by Gibson EMC, as provided above, a service charge as specified in Schedule of Rates and Charges may be collected by Gibson EMC before service is restored.
- 12.TERMINATION OF CONTRACT BY MEMBER:** Members who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days written notice to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve member from any minimum or guaranteed payment under any contract or rate.
- 13.SERVICE CHARGES FOR TEMPORARY SERVICE:** Members requiring electric service on a temporary basis may be required by Gibson EMC to pay all costs for connection and disconnection incidental to the supplying and removing of service. This rule applies to circuses, carnivals, fairs, temporary construction and the like.
- 14.INTERRUPTION OF SERVICE:** Gibson EMC will use reasonable diligence in supplying service, but shall not be liable for breach of contract in the event of, or for the loss, injury or damage to persons or property resulting from, interruptions in service, excessive or inadequate voltage, single phasing, or otherwise unsatisfactory service, whether or not caused by negligence.
- 15.VOLTAGE FLUCTUATIONS CAUSED BY MEMBER:** Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to Gibson EMC's system. Gibson EMC may require member, at his own expense, to install suitable apparatus which will reasonably limit such fluctuations.
- 16.ADDITIONAL LOAD:** The service connection, transformers, meters, and equipment supplied by Gibson EMC for each member have definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of Gibson EMC. Failure to give notice of additions or changes in load, and to obtain Gibson EMC's consent for same, shall render member liable for any damage to any of Gibson EMC'S lines or equipment caused by the additional or changed installation.

17.STANDBY AND RESALE SERVICE: All purchased electric service (other than emergency or standby service) used on the premises of member shall be supplied exclusively by Gibson EMC, and member shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.

18.NOTICE OF TROUBLE: Member shall notify Gibson EMC immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed in writing.

19.NON-STANDARD SERVICE: Member shall pay the cost of any special installation necessary to meet his/her non-standard service requirements.

20.METER TESTS: Gibson EMC will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy. Gibson EMC will make additional tests or inspections of its meters at the request of member. If tests made at member's request show that the meter is accurate within two percent (2%), fast or slow, no adjustment will be made in member's bill and Gibson EMC's standard testing charge will be paid by member. In the case the test shows meter to be in excess of two percent (2%), fast or slow, an adjustment shall be made in member's bill over a period of not over thirty (30) days prior to date of such test, and cost of making test shall be borne by Gibson EMC.

21.INCORRECT MEMBER BILLING: If Gibson EMC determines a member has been incorrectly billed for electric service, except as provided for meter tests (See Rules and Regulation No. 20), then such incorrect billing shall be adjusted for either overbilling or underbilling. After determination of overbilling or underbilling for electric service has been made by the Gibson EMC, an adjustment shall be made in the member's bill. For these purposes, the adjustment for overbilling or underbilling shall be for any known or unknown causes (with the exception of meter tests) which result in incorrect bills for electric service including but not limited to incorrect constants, failure of current and potential transformer equipment, failure of any other related equipment involved in measuring consumption of electricity, improperly installed metering equipment, improper billing procedures, and other causes which result in incorrect billings for electric service to the member. The period of adjustment for any overbilling or

underbilling shall be based upon the period of time during which said overbilling or underbilling occurred.

22.RELOCATION OF FACILITIES: Gibson EMC shall, at the request of member, relocate or change existing Gibson EMC-owned equipment provided Gibson EMC is not prevented from making the relocation. Member shall reimburse Gibson EMC for such changes at actual cost including appropriate overheads.

23.SCOPE: The Schedule of Rules and Regulations is a part of all contracts for receiving electric service from Gibson EMC, whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of Gibson EMC's Member Service Policies and Schedule of Rates and Charges, shall be kept open to inspection at the offices of Gibson EMC. Furthermore a member will also receive such information upon application for electrical service, and at any time upon request. All retail rate actions initiated by Gibson EMC will be communicated to the public via the website – www.gibsonemc.com and through advertisements in *The Tennessee Magazine*.

For additional information see Member Service Policy #2.

24.REVISIONS: These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.

25.CONNECTION CHARGES: Fees will be charged for all new permanent locations and for previously served permanent meter locations. Gibson EMC may establish and collect standard charges to cover the reasonable average cost, including administration, of connecting service. Higher charges may be established and collected when connections are performed after normal office hours, or when special circumstances warrant.

26.CONFLICT: In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations the rate schedule shall apply.

Any member requesting a hearing will be given due process (See Member Service Policy #11).

In the case of billing disputes or other service issues that cannot be resolved by Gibson EMC, Gibson EMC will provide the member with information regarding TVA's Complaint Resolution Process. Members will be informed about the availability of the TVA Complaint Resolution Process upon application for service and at any time upon request.

27.SHORTAGE OF ELECTRICITY: In the event of an emergency or any other condition causing a shortage in the amount of electricity for Gibson EMC to meet the demand on its system, Gibson EMC may, by an allocation method deemed equitable by Gibson EMC, fix the amount of electricity to be made available for use by member and/or may otherwise restrict the time during which member may make use of electricity and the uses which member may make of electricity. If such actions become necessary, member may request a variance because of unusual circumstances including matters adversely affecting the public health, safety and welfare. If member fails to comply with such allocation or restriction, Gibson EMC may take such remedial actions as it deems appropriate under the circumstances including temporarily disconnecting electric service and charging additional amounts because of the excess use of electricity. The provisions of the Section entitled Interruption of Service of this Schedule of Rules and Regulations are applicable to any such allocation or restriction. If the shortage of electricity is due to the power supplier not having enough electricity to supply the load of Gibson EMC, or in the event of a widespread regional power shortage, then the Load Curtailment Plan of the power supplier shall be followed.

28.BILLING ADJUSTED TO STANDARD PERIODS: The member charges and the energy charges set forth in the Schedule of Rates and Charges are based on billing periods of approximately one month. In the case of the first billing of new accounts (temporary service and other seasonal members excepted) and final billing of all accounts (temporary service excepted) where the period covered by the billing involves fractions of a month, the Member charges and the energy charge will be adjusted to a basis proportionate with the period of time during which service is extended.

29.LOAD MANAGEMENT PROGRAM: Gibson EMC operates load control equipment placed on the premises or equipment of members. If, due to circumstances, the load control equipment may be removed from the premises or equipment, damages shall be limited to the repair and/or

replacement of the equipment. The program is subject to the policy of the Load Management Program.

30.MEMBER'S ENERGY USE DATA: Upon request, using procedures established by Gibson EMC, Gibson EMC will make available to members their available energy consumption data for the prior 12 months. Gibson EMC will not provide to other parties any member's individually identifiable energy consumption data or other individually identifiable member data collected by Gibson EMC without the member's authorization, using authorization procedures established by Gibson EMC. Aggregated energy use data will be utilized only by Gibson EMC and parties authorized by Gibson EMC in order to enhance system security, reliability and improve system efficiency and will not be provided to any other parties except with Gibson EMC approval. Nothing in this paragraph limits TVA's rights as provided under the Wholesale Power Contract.

For additional information see Member Service Policy #2.