

KODIAK ELECTRIC ASSOCIATION, INC.

**RULES AND REGULATIONS
for
ELECTRIC SERVICE
&
RATE SCHEDULES**

Effective Date: March 23, 2023

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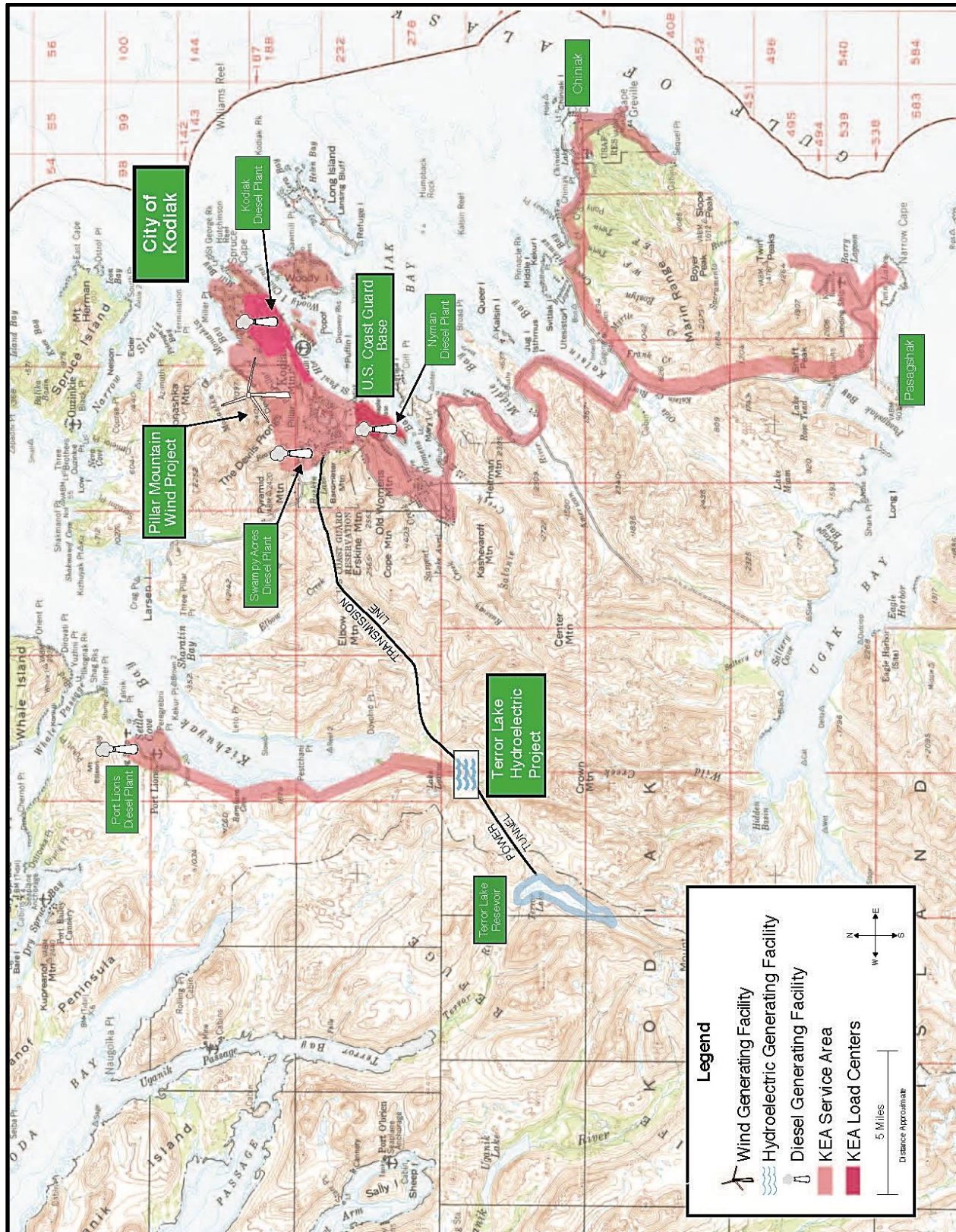
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1. Alaska Map (including Kodiak Island)
2. Kodiak Main Service Area; U.S.C.G. Integrated Support Command, Kodiak; Bells Flats/Russian Creek; and
Port Lions and Terror Lake Transmission Corridor; and Chiniak and Pasagshak.





1. GENERAL

1.1. Adoption

These rules and regulations have been adopted by the Board of Directors of the Kodiak Electric Association (hereinafter called the "Association") in accordance with the Association's Articles of Incorporation and Bylaws and in accordance with the requirements of federal, state, and other bodies having jurisdiction over the Association.

No officer, agent, or employee of the Association has the authority to alter or amend these rules and regulations.

1.2 Scope

These rules and regulations are a part of all contracts for furnishing and receiving electric service. A copy is available for review in the Association's Kodiak Office and Port Lions Power Plant.

1.3 Revision

These rules and regulations may be revised, amended, supplemented, or otherwise changed at any time by action of the Association's Board of Directors. These rules and regulations supersede all previous rules and regulations.

1.4 Conflict

In case of conflict between any provisions of any rate schedule or contract and these rules and regulations, the provisions of the rate schedule or contract shall apply.

1.5 Applicability

These rules and regulations apply to all services rendered by the Association except as otherwise provided in individual rate schedules or contracts.

1.6 Business Office Locations

Kodiak Electric Association provides a permanent office at 1614 Mill Bay Road in Kodiak, Alaska. This office provides full member services and is open from 9:00 a.m. to 5:00 p.m. Monday through Friday, except holidays.

The Association may open a temporary office necessary to meet consumer or project requirements. Opening and closing dates of such office shall be duly noticed to the public through publication in appropriate area newspapers.

In case of emergency or outage during any time of day, consumers may call (907) 486-7700 collect.

2. DEFINITIONS

ACTUAL COST – the final cost of labor, material, and overhead used to complete a line extension or addition of facilities.

ADVANCE-IN-AID-OF-CONSTRUCTION – An advance payment to the Association for the addition of facilities in excess of those included in the line extension policies of the Association to serve the consumer. This payment is refundable under the conditions stated in the Association's rules and regulations.

APPLICANT – Person requesting the Association to supply electric service.

APPLICATION – A signed written request for electric service.

ASSOCIATION (the) – Kodiak Electric Association, Inc.

AVERAGE RETAIL DEMAND – Expressed in kilowatts (kW) and determined by dividing the total retail sales measured in kilowatt-hours (kWh) by 8,760 hours for a calendar year.

BILLING CYCLE – A time interval between two consecutive bills for electric service.

COGENERATION – See Qualifying Facility (Section 14).

COMMERCIAL USE – Use of electricity for business purposes such as lighting, appliances, cooking, heating and motors. Consumers having their home and business supplied by one (1) meter will be billed the commercial rate.

COMMISSION (the) – Alaska Public Utilities Commission.

CONSUMER – Any individual, person, firm, partnership, association, corporation, municipality, cooperative organization or governmental agency supplied with electric service from the Association.

CONTRACT – A written agreement between the Association and the member defining special rates, conditions, or provisions necessary to provide service.

CONTRIBUTION-IN-AID-OF-CONSTRUCTION – An advance payment representing the cost for the addition of facilities in excess of those included in the line extension policies of the Association to serve the member. This payment is not refundable.

COST OF POWER ADJUSTMENT (COPA) – An adjustment designed to flow through to the consumer the cost effects of using diesel generation’s fuel component and any financial emergency adjustments.

CREDIT REFERENCE LETTER – A positive response from a utility-provided credit inquiry form, indicating a previous record of bills paid in full with no more than one delinquency in the last twelve (12) months.

CUSTOMER CHARGE – A charge in accordance with rate schedules imposed by the Association to recover expenses attributable to each consumer whether or not that consumer uses electrical power. Such expenses include billing and meter expenses, and a portion of plant facility costs.

DAMAGE – Means an injury to person or property.

DEFERRED PAYMENT AGREEMENT – An agreement between the Association and a qualified residential consumer providing for a payment schedule for a deposit, past due, or delinquent account balance.

DELINQUENT – All past due amounts and late charges that are not received by the Association within forty (40) days after the date the bill that is past due was rendered.

DEMAND – The maximum rate of delivery of electric energy during a billing cycle, measured in kilowatts (kW) registered over a fifteen (15) minute period.

DISTRIBUTION FACILITIES – Electric utility lines operated at distribution voltage which are constructed along public roadways or other bona fide rights-of-way, including easements on consumer’s property.

ECONOMIC HARDSHIP – The inability of a residential consumer on a timely basis to pay the security deposit or the full amount of a bill for service.

ELECTRIC PLANT – All real estate, fixtures, and property owned, controlled, operated, or managed in connection with or to facilitate the production, generation, transmission, and delivery of electricity for light, heat, or power.

ELIGIBLE MEMBER GENERATION SYSTEM – A facility that:

- (1) produces electric energy derived from one or more of the following sources:
 - (A) solar photovoltaic and solar thermal energy;
 - (B) wind energy;
 - (C) biomass energy, including landfill gas or biogas produced from organic matter, wastewater, anaerobic digesters, or municipal solid waste;
 - (D) hydroelectric energy;
 - (E) geothermal energy;

- (F) hydrokinetic energy;
 - (G) ocean thermal energy;
 - (H) other sources that generally have similar environmental impact;
- (2) is operated and either owned or leased by the member, and
- (A) has a total nameplate capacity of no more than 25 kilowatts per member premises;
 - (B) is located on the member's premises;
 - (C) is used primarily to offset part or all of the member's requirements for electric energy; and
 - (D) includes an inverter;
- (3) includes an electric generator and its accompanying equipment package; and
- (4) is physically interconnected to the member's side of the meter from which the Association provides electric service to the member.

ENGINEERING – Engineering includes the preparation of electric layouts, designs, specifications, and other drawings and lists associated with electric construction. It also includes making construction estimates, inspecting construction for conformance with design criteria, specifications, and staking; labor costs associated with right-of-way acquisition and administration; and similar related activities necessary to the installation of electric distribution facilities.

ESTIMATED CONSTRUCTION COSTS – The Association Engineer's estimate of the cost of labor, material and overhead to complete a line extension or addition of facilities. The Association strives to insure that its estimates are within plus or minus ten percent (10%) of actual cost. However, contractor availability, weather, location and terrain conditions often make actual cost difficult to estimate.

EXTERNAL DISCONNECT SWITCH – A visible-break, lockable device used to isolate a member generation system from the Association's electric system.

FACILITIES – Defined as the electric plant (see previous page).

FINAL SUBGRADE – The final grade specified by the governing agency to which the roadway is to be constructed unless finish material (such as asphalt) is to be placed, in which case the final subgrade is the grade specified by the appropriate agency to placement of the finish material.

FINANCIAL EMERGENCY ADJUSTMENT (FEA) – A temporary adjustment set by the Board of Directors to address unrecovered fixed costs associated to renewable generation.

KILOWATT – A unit of power equal to one thousand (1,000) watts.

KILOWATT HOUR – Electric energy equivalent to the amount of electric energy delivered in one (1) hour at a constant rate of one (1) kilowatt.

LINE EXTENSION – Any additional lines and equipment necessary to extend the electric distribution system of the Association to new consumers.

MEMBER – Any natural person, firm, association, corporation, body politic, or subdivision thereof that meets the requirements of the Association.

MOBILE HOME – A detached single-family dwelling having complete living facilities, constructed and fabricated into a complete unit at a factory, and capable of being transported to the location of use on its own chassis and wheels.

MOBILE HOME PARK – Any parcel, or adjacent parcels of land in the same ownership, which is utilized for occupancy by more than two (2) mobile homes, but not including tourist facilities for motor homes, campers, or travel trailers.

NAMEPLATE CAPACITY – The maximum rated output of a generator, prime mover, or other electric power production equipment under specific conditions designated by the manufacturer.

NET ELECTRIC ENERGY – As metered by the Association for a specified period and expressed in kilowatt-hours,

- (1) the amount by which the quantity of electric energy supplied by the Association to the member exceeds the quantity of electric energy supplied by the member to the Association; or
- (2) the amount by which the quantity of electric energy supplied by the member to the Association exceeds the quantity of electric energy supplied by the Association to the member.

NET METERED GENERATION – An eligible member generation system or systems that are interconnected with and operate in parallel with the Association's system in accordance with the net metering provisions of this tariff.

NON-REFUNDABLE CASH PAYMENT – Cash payment to the Association for the extra cost associated with providing electrical facilities of a special nature (such as underground) to serve the member(s). This payment is nonrefundable.

OUTAGE – An interruption of electric service which requires the Association to intervene to resume service and when service cannot be resumed by the automatic recycling of the Association's equipment.

PAST DUE – A bill is "past due" when not paid in full within twenty five (25) days of the date rendered.

POWER FACTOR – The ratio of actual measured kilowatt-hours to the apparent power in kilovolt ampere hours expressed in percentage.

PREMISES – Piece of land or real estate, including buildings and other improvements.

PRIMARY (voltage) – The input voltage of the circuit supplying power to the distribution transformer which provides service to the consumer.

PRIVATE SUBDIVISION – A subdivision developed by any person, partnership, group, corporation, or cooperative.

PUBLIC SUBDIVISION – A subdivision developed by the U.S. government, State of Alaska, or a political subdivision thereof.

QUALIFYING FACILITY (QF) (Section 14) – A cogeneration facility or a small power production facility as defined in 3 AAC 50.820(11).

RATE (schedule) – The Association's published charges for sale of energy in kilowatt hours and demand in kilowatts including customer charges, applicable minimum charges, cost of power adjustment, power factor adjustment, other fees and charges, and criteria for application of charges.

RECORD FEE – A charge for each new service or service location change and between renter agreement, to cover costs of entering new information in the Association's record keeping system.

RENDERED – The date a bill is postmarked or the billing date shown on the bill. The billing date should not differ from the postmark or mailing date by more than three (3) working days.

RESIDENTIAL USE – Use of electricity for domestic purposes such as lighting, appliances, cooking, heating, and motors, and includes service in apartment buildings, mobile home parks, and other multi-unit residential buildings.

RULES AND REGULATIONS – Policies governing the Association and its members in the matter of furnishing of electric service by the Association and purchasing of electric service by the member.

SCHEDULE OF FEES – A list of standard dollar amounts which the Association charges its members for specific services rendered by the Association.

SECONDARY (voltage) – The voltage for delivery directly to the service entrance of the consumer, i.e., the low voltage side of a distribution transformer or the utilization voltage.

SECURITY LIGHTS OR YARD LIGHTS – A fixture or fixtures installed to illuminate private homes and areas, including places and areas to which the public has access but which are privately owned and controlled.

SERVICE COMPLAINT – A claim or dispute regarding a consumer’s electric service.

SERVICE CONNECTION (point of) – The precise location at which the Association–owned electrical facilities connect to member-owned electrical facilities.

SINGLE-PHASE SERVICE – Standard service using two (2) energized conductors and one (1) neutral.

STANDBY (service) – Electrical service provided by the Association, to be used in the event a consumer’s electrical generation equipment is unable to serve the consumer’s load.

STREETLIGHT – A system, or fixture of such system, for the illumination of streets, alleys, and other public places and areas.

SUBDIVISION – A tract or parcel of land which has been determined to be a “subdivision” or “planned unit development” (PUD) by the appropriate political subdivision of the State.

THREE-PHASE SERVICE – A service provided with three (3) energized conductors and one (1) neutral, if required.

VANDALISM – Intentional or malicious damage.

3. NATURE OF SERVICES OFFERED

3.1 Electric Service

The Association provides 60 Hertz, alternating current, either single or three-phase, at available voltages. Voltage, frequency and wave form are regulated to conform to the standard practices of the industry.

3.2 Voltages

The standard practices of the industry regarding voltage, frequency and wave form referred to in Rule 3.1 are as follows, where available– Voltage characteristics depend upon available circuits.

7,200	volts single-phase
14,400	volts single-phase
7,200/12,470	volts three-phase 4-wire wye
14,400/24,900	volts three-phase 4-wire wye
120/208	volts three-phase 4-wire wye
277/480	volts three-phase 4-wire wye

120/240	volts single-phase class 100-200 (100-200 amp)
120/240	volts single phase class 320 (400 amp service)
120/240	volts three-phase 4-wire delta

Other standard secondary voltages may be made available with prior approval by the Association's Engineering Department.

4. TYPES OF SERVICE PROVIDED

4.1 Permanent

Where the member's facilities are such that the Association has reasonable assurance that the premises will take electric service permanently and continuously for the useful service life of the facility, the Association will provide the electrical facilities necessary to serve the member as set forth in Section 7.

All permanent service installations must be designed and installed in accordance with applicable codes, standards, and practices of the industry for the class of service provided. The metering will be mounted on an applicant's building, pole or other structure on a permanent non-moveable foundation. The Association reserves the right of final determination of whether a service will be classified as permanent.

4.2 Temporary

When an applicant requests service for a period of one (1) year or less, the applicant will be required to pay, prior to installation, a contribution-in-aid-of-construction in an amount equal to the total estimated cost of both the installation and removal of the facilities necessary to provide such service. The applicant shall bear the cost of any unusual or unsalvageable materials. If the actual cost is less than the estimate, the Association will refund the difference.

Service under this provision should not exceed one (1) year without good cause shown and with the concurrence of the Association. Service for a subsequent period is not to exceed six (6) months.

4.3 Non-Standard

The consumer shall pay the cost of any special installation necessary to meet the particular requirements for service at other than standard voltages, or for the supply of closer voltage regulation than required by standard practice.

4.4 Standby

The Association may furnish electric service to member's premises for standby service only as provided in the applicable rate schedules.

4.5 Interruptible

The Association may furnish non-firm electric energy, which service may be interrupted or terminated at the Association's discretion, only as provided in the applicable rate schedule or contract.

4.6 Supplemental

The Association may furnish supplemental electric service to a member's premises only as provided in the applicable rate schedules.

4.7 Scheduled Maintenance

The Association may furnish scheduled maintenance electrical service to a member's premises only as provided in the applicable rate schedules.

5. TECHNICAL PROVISIONS

5.1 Determination of Use

The quantity of electrical energy and/or electrical demand shall be determined by the registration of the electric meters provided by the Association, except:

- (a) Where the load is such that the amount of electrical energy consumed is fixed, the Association may elect not to meter the service and to bill the consumer a fixed amount as determined by the charge under the appropriate rate schedule; and
- (b) When there is evidence of meter or electric service tampering, the consumer is responsible for power used and unregistered by damaged or vandalized meters up to the time the consumer notifies the Association of the damage or vandalism.

5.2 Billing Demand

The billing demand shall be the highest of metered or contracted demand after adjustment for low power factor, if applicable.

Metered demand shall be the highest fifteen-minute (15) kilowatt demand in the billing cycle, as determined by suitable indicating or recording instruments. Contracted demand will be established for service provided under an agreement.

5.3 Power Factor Adjustment

Loads supplied under schedules providing for a demand charge shall be subject to the following power factor adjustment provisions:

If the average power factor at which power is delivered to the consumer is less than ninety percent (90%) lagging, the billing demand may be increased by one percent (1%) for each percent or major fraction thereof that the average power factor is less than ninety percent (90%) lagging.

All consumer installations of power factor corrective equipment shall conform to industry standards. Power factor may be determined by permanently installed instruments or by tests at reasonable intervals.

5.4 Phase Balance

Current imbalance in phase conductors of services, except the legs of three-phase, four-wire delta services, shall not exceed ten percent (10%) of the current which would be required at maximum load under balanced current conditions.

5.5 Inspection

The Association shall have the right, but shall not be obligated, to inspect the consumer's wiring or equipment before or during the time electrical service is supplied. Except in emergency situations, service will not be connected until the Association receives evidence that an inspection to ensure compliance with minimum safety requirements of the National Electric Code, the National Electric Safety Code, and the Association's standards has been conducted by the appropriate authority. Any inspections performed by the Association will be limited to the supply side of the service entrance equipment. Inspections subsequent to the first inspection are subject to a fee as set forth in the applicable Schedule of Fees. Inspection or lack of inspection shall not be construed as placing upon the Association any liability or responsibility for the condition or maintenance of the consumer's wiring, current consuming devices, or other equipment, or for the notification to the consumer of such conditions.

It is the consumer's responsibility to comply with the minimum safety requirements of the National Electrical Code and any other applicable codes for maintaining the consumer's electrical wiring and equipment. The Association reserves the right to refuse or discontinue service to the consumer where the consumer's equipment or wiring is in hazardous condition, or not in conformity with lawful codes and local regulations. The consumer shall be solely responsible for the maintenance and safety of the consumer's wiring and equipment and the Association shall not in any way be liable for accident or damage occurring to the consumer or to third (3rd) parties because of contact with or failure of any portion of the consumer's installation.

5.6 Hazardous or Undesirable Service Characteristics

The Association may refuse its service to, or remove its service from, any installation which in the judgment of the Association will have detrimental effect upon the operation of the Association's system or its service to other members or create a hazard.

5.7 Additional Load

If the consumer desires to add additional load, the consumer shall notify the Association sufficiently in advance so the Association may plan for the facilities required to serve the increased load. The cost of the additional facilities necessary to meet the added load shall be borne by the consumer unless the Association determines the upgrade is economically feasible. Feasibility will be determined if the cost of the Association's upgrade will not exceed five (5) times the annual gross revenue. If the consumer fails to notify the Association of additional load, and, as a result, the Association's equipment is damaged, the consumer shall be liable for the cost of such damage.

5.8 Meter Tests

The Association will inspect and test its meters as required by the Association.

Meters will be tested on request, and accounts will be adjusted as described below if the meter over or under registers by more than two percent (2%) from standard and there is no evidence of meter or electric service tampering. If the meter does not over register or under register by more than two percent (2%), a charge, as set forth in the applicable Schedule of Fees, will be made to the consumer who requested the test.

When a meter in service is tested and found to have over-registered the amount of energy delivered by more than two percent (2%), the Association will recalculate the bills for service from the known date of error and will make a refund if the amount of adjustments exceeds five dollars (\$5.00). If the beginning date of error is unknown, the Association will refund the most recent member of record for the billed error for

the period since the meter was last tested, not to exceed six (6) months, or the period during which the most recent member of record received service through the meter, whichever period is shorter. Adjustments for billing purposes will be made as if the meter read one hundred percent (100%) accurate.

When a meter in service is tested and found to have under registered the amount of energy or demand usage, the consumer will be billed for no more than the four (4) previous months usage, unless there is evidence of meter or electric service tampering by the consumer.

5.9 Non-Standard Tolerances

Where a member requires a degree of regulation of the characteristics of the electrical service greater than that normally required under applicable codes and standards, the member shall be responsible for obtaining, owning, installing, and maintaining the required regulating equipment.

5.10 Protective Equipment

It is the member's responsibility to provide suitable protective equipment for the devices and appliances on the member's premises. If three-phase equipment is used, it is the member's responsibility to protect such equipment against single phase operation and under and over voltage conditions.

5.11 Consumer's Obligation to Association Facilities

A consumer or consumer's representative shall not perform work, construct, or place obstructions adjacent to or within an Association easement or right-of-way if it creates a violation of applicable codes or inhibit or deny the Association reasonable access to its facilities. If the Association is made aware that such work, construction, or obstruction poses a hazard to the Association or to Association property, creates a violation of applicable codes, or inhibits or denies the Association reasonable access to its facilities, the Association shall notify the consumer and shall advise the consumer to take corrective action. If the consumer does not take the necessary actions to eliminate the hazard obstruction or violation, the Association may take all necessary corrective action (as determined in its discretion) to eliminate the hazard, without further notice and at the consumer's expense.

5.12 Unauthorized Attachments

Written permission from the Association is required prior to the attachment of any equipment or material to any Association property including poles, guy wires, equipment or structures. Any unauthorized attachment is subject to removal at any time without notice with the cost to be borne by the individual that made the attachment. The Association assumes no liability and will not be responsible for any unauthorized attachments to the Association's equipment.

6. CONDITIONS OF SERVICE

6.1 Membership

In order to receive electric service any person, firm, association, corporation or body politic or subdivision thereof shall become a member of the Association, pay the deposit, and record fee, and shall agree to be bound by the Articles of Incorporation and the Bylaws of the Association and Rules and Regulations adopted by the Board of Directors. Memberships are not transferable except as provided in the Association Bylaws.

6.2 Application for Service

Each applicant for electric service is required to complete and sign the Association's application for electric service, and present sufficient identification.

In the absence of a signed agreement or application for service, the delivery of service by the Association and its acceptance by the member shall constitute an agreement and acceptance of the Association's Rules and Regulations.

6.3 Record Fee

Each member upon application for new service or transfer of service shall pay a fee to cover the initial expense of incorporating new account data into the Association's billing and member records system. See Schedule of Fees.

6.4 Transfer of Service

A member may have service transferred from one location within the Association's service area to another by submitting new application information and paying the record fee and deposit if required as set forth in the applicable Schedule of Fees.

6.5 Service Contract

The Association may require a member, as a condition of service, to sign a contract guaranteeing a certain minimum level of revenue for a specified period of time. Other contracts may be required for specific services or equipment.

6.6 Term of Service

Unless otherwise provided in a specific contract for service, the minimum term for which service will be rendered is one (1) month or thirty (30) days.

6.7 Authorization

All applications or changes for electrical service must be executed by the member, attorney-in-fact, or authorized agent. An officer or authorized representative may make requests on behalf of an association, corporation, or government unit. Joint members may act for each other and such action shall bind both members.

6.8 Former Indebtedness

If a former member who is indebted to the Association attempts, by some agency, relationship, or otherwise, to obtain service, the Association reserves the right to refuse service until payment is made by the member of all money due from the member to the Association. This shall include the indebtedness, the reconnect fee, a

late payment fee, interest on the indebtedness, and any funds due from any previous line extension contract.

6.9 Easements

All applicants for service must provide the Association, at no cost, a suitable easement or right-of-way for any portion of the extension which is on premises owned, leased, or otherwise controlled by the applicant as may be necessary to provide service to the applicant and as may be reasonably required to provide service to adjacent properties.

Modification(s) to the Association's standard right-of-way easement form shall be accepted only in special cases, at the discretion of the Association, for specific reason(s) and good cause shown.

6.10 Deposits

The Association requires a separate deposit for each meter. Applicants *may* be required to pay a deposit upon application for service. The deposit *can* be equal to, but not exceed, the Association's estimate of two (2) times the average monthly bill for the requested service location. Said deposit shall be deemed as security for the payment of unpaid bills upon termination of service, and shall not impair any right of the Association to terminate service as provided by these rules and regulations.

The Association will pay interest as required by AS 42.05.365 on deposits for a single meter which exceed one hundred dollars (\$100.00). When the deposit is placed in an interest bearing account, the Association shall pay the interest rate of the interest bearing account. The deposit with any accrued interest will be refunded to the consumer in accordance with this section. However, if delinquent payments result in disconnection of service, the Association will not pay interest on the deposit for twelve (12) months after reestablishing service.

The Association will issue to the applicant a written receipt for the amount of the deposit with conditions and terms for refund. The Association will not require a member to produce the deposit receipt in order to receive a refund of the deposit.

- (a) The Association will waive or refund a residential deposit plus any accrued interest within ninety (90) days if the applicant is able to meet any of the following conditions:
 - (1) The applicant has previously established a good payment record with the Association as evidenced by receiving service from the Association at another location within the past two (2) years with no more than one delinquency in payment during the last twelve (12) months of service;

- (2) The applicant provides a letter or written verification on the Association's Credit Reference Letter form, available at the Association office, from the electric utility which last provided comparable service to the applicant stating that the applicant was not delinquent in payment for the last twelve (12) consecutive months of service at the prior location.
- (b) The Association will refund deposits plus any accrued interest within thirty (30) days after the earlier of:
 - (1) Twelve (12) months of continuous service, if the consumer has not been past due in the payment of utility bills more than twice, has not been delinquent in the last six (6) months, and is not past due at review;
 - (2) Termination of service, to the extent the amount held exceeds any balance due the Association for electric service and late fees.

(c) Economic Hardship Deferral

The Association may provide deferred payment deposit arrangements in cases where a residential consumer demonstrates clear economic hardship.

(d) Deposit Changes for Changed Conditions

A member who has a deposit on file and whose use has changed substantially may be required to change the member's current deposit with the Association. The deposit on file shall be equal to but not more than the Association's estimate of two (2) times the member's average monthly bill. Within thirty (30) days of the deposit change notification, the member will be required to pay an increased deposit, and/or the Association shall refund any excess deposit. The unpaid deposit will constitute a past due amount after the thirty (30) days.

(e) Reestablish Deposit Conditions

In the event the member becomes delinquent in payment, the member may be requested to deposit with the Association an amount equal to but not more than the Association's estimate of three (3) times the member's average monthly bill.

6.11 Installation, Accessibility and Protection of Association Property

All service shall be metered unless otherwise provided for by contract. The Association requires a member to install service equipment on the building exterior and to minimum service standards stated on specifications available at the Association office. Written exceptions to this rule may be granted by the Association where conditions warrant. The member shall furnish a convenient place, readily accessible without risk of bodily harm to the Association employees or its agents, free from vibration, corrosive atmosphere, and abnormal temperatures, in which to install the

metering equipment. Meters shall not be located under porches, carports, or breezeways, or under the outfall of rain spouts or drains. In cases where unusual conditions exist, the Association shall be consulted prior to installation. If the Association is not provided clear access to electrical equipment and devices, the member will be charged all costs associated with the location accessibility restrictions/corrections.

Members shall provide any properly identified employee of the Association or its agents with unrestricted access to the Association's property at all times for any purpose, including, but not limited to: reading meters; testing or inspecting member's load or equipment; repairing; removing, or replacing any equipment belonging to the Association. The member shall provide clear access, free of snow or other obstructions, to the Association's property (i.e., meters, pedestals, poles, lines or transformers). In special cases where equipment is located so that locks must be operated to reach it, a key must be provided to the Association to allow the Association personnel or its agents access to the premises.

Any equipment or devices furnished by the Association shall remain its property and may be removed by the Association at any time on the termination of an agreement or the discontinuance of service.

The member is responsible for the reasonable safekeeping of the Association's property located on the member's premises. A member shall take all reasonable precautions against unlawful interference with that property and take all steps necessary to ensure safe access to the property. In the event of loss or damage to the Association's property because of the member's negligence, the Association may collect from the member the cost of repairs or replacement.

6.12 Tampering With Association Property

Tampering with meters and other facilities of the Association violates the Rules and Regulations. The tampering may also result in civil liability under Alaska law (AS 42.20.030). The Association may collect from the member up to three (3) times its damages sustained and three (3) times the value of the service taken as a result of such tampering. Further, the member may be convicted of several criminal offenses, with penalties ranging up to ten (10) years imprisonment and a fine of one hundred thousand dollars (\$100,000.00), depending upon the magnitude of the offense.

In addition to statutory penalties, a fee as set forth in the applicable Schedule of Fees will be charged to a member who breaks a seal without authorization or otherwise tampers with the Association's facilities. In flagrant cases, electric utility service will be discontinued [see Section 10.9(b)]. Permission to break a meter seal may be given in appropriate cases to authorized persons upon request and payment of fees. See Schedule of Fees.

In order to protect its equipment and service, the Association may seal the service switch and/or other devices or enclosures on the member's premises to prevent access by any unauthorized persons. The member shall not in any way interfere with or alter the meters, seals, or other property used in connection with rendering electric service, or permit same to be done by other than the authorized agents or employees of the Association. Damage to or loss of the Association property shall be paid for by the member. Damage to or removal of the Association's meters, seals, or other property may be considered sufficient reason for discontinuance of service to a member until the Association has received satisfactory assurance that its equipment will be free from future interference and until all damages and bills for metered or unmetered electricity have been paid.

6.13 Refusal of Service

The Association may refuse to establish new service if any of the following conditions exist:

- (a) An applicant falsifies any information relied on by the Association and fails to subsequently correct the falsification with documentation acceptable to the Association;
- (b) An applicant has an outstanding amount of past due for utility service and has not made arrangements acceptable to the Association for payment thereof;
- (c) A condition exists or would exist upon establishment of service which the Association believes is unsafe or hazardous to the persons or the integrity of the Association's energy delivery system;
- (d) An applicant does not meet the credit criteria for waiver of deposit requirements and fails to provide the Association with a deposit; or
- (e) An applicant refuses to furnish funds, services, equipment, or right-of-way which have been specified by the Association as necessary to provide service.

6.14 Resale of Energy

The consumer shall not resell, or share with others, any electric service furnished by the Association, except for that allowed by Section 11.1 or by specific approval of the Board of Directors for electric vehicle charging stations.

6.15 Applicable Rate

When a member qualifies for service on an applicable rate schedule other than the one which the member is being billed, the member shall notify the Association in writing, on a Request for Change in Service Rate Schedule Form, and the change in

schedule will become effective after the next regular meter reading. The member will be informed of the lowest applicable rate available at the time of application.

6.16 Meter Resealing Cost

The Association will charge a fee for the resealing of a meter as defined in the Schedule of Fees. In cases of power theft connected with the broken meter seal, damages will be collected as stated in Section 6.12.

6.17 Notice of Trouble

The consumer can assist the Association by promptly notifying the Association of any defects, trouble, or accident affecting the supply of electricity. The consumer shall notify the Association of trees or other obstructions growing into or being built into the right-of-way.

6.18 Consumer Power Outage

If the consumer's service fails, the consumer shall endeavor to determine if consumer owned fuses have blown, breakers tripped, or equipment is at fault before calling the Association. If a service person is sent out at the consumer's request, and it is determined the consumer's equipment is at fault, a charge will be made for the call in accordance with the Schedule of Fees.

6.19 Personal Guarantee Requirements

The Association reserves the right to require personal guarantees of payment from the principal shareholders or officers prior to accepting a corporation's application for service. The Association also reserves the right to require all general partners of a partnership to sign an application for service.

6.20 Consumer Complaints

The Association desires to resolve any consumer complaint in the most expeditious manner with the appropriate staff of the Association. The consumer is encouraged to present the complaint to the Association's staff. If the matter is not resolved to the consumer's satisfaction, the complaint will be redirected to the President/CEO, and, if still unsatisfied, to the Association's Board of Directors. The Association will respond to each service complaint and other consumer correspondence within ten (10) working days of its receipt.

6.21 Idle Services

Idle Service charges will be applicable where the Association, pursuant to application for service at a given location has installed the necessary facilities to

provide said service, and where the consumer failed to accept and use service within a reasonable time; or if such consumer after having taken service, thereafter discontinues it. In either event, the Association will, at the Association's discretion, require that the consumer pay an idle service charge to retain the electric facilities in readiness for service. The idle service charge is defined as the applicable customer charge, for the rate schedule to which the service qualifies. If the consumer failed to pay the required idle service charge, the Association will, at the Association's discretion, remove its facilities from the premises at its convenience.

7. EXTENSION OF FACILITIES

7.1 Extension Policy

The Association shall furnish and construct, at its expense, such facilities and service connections as necessary to render service, upon written application of the member for electrical service to permanent structures where the extension will not exceed the equivalent cost of one (1) span of primary, one (1) pole, one (1) down guy, transformer and service drop plus five (5) times the estimated annual gross revenue. Under no circumstance shall the cost of facilities exceed the value of the permanent structures to receive service.

Members may design and construct their own line extension subject to Section 7.2.

7.2 Extensions Requiring Special Provisions

(a) If the estimated cost of constructing the line extension or service connection exceeds the amount listed in Section 7.1, a written estimate will be provided by the Association indicating the cost difference. For the Association to construct such an extension, the member must execute a written line extension contract that includes one of the following at the member's option.

(1) Option A

Provision for "Advance-in-Aid of Construction" of sufficient funds to cover the cost difference of the extension.

(2) Option B

"Advance-in-Aid of Construction" of twenty-five percent (25%) of the construction cost shall be paid plus a minimum monthly payment to retire the seventy-five percent (75%) balance of the extension cost within five (5) years. This minimum monthly payment does not include any energy and is simply a financing program of the Association to assist its members.

- (b) The Association will not collect from the member any charges in excess of the written estimate plus ten percent (10%) unless such additional charges are the result of additional construction work requested or caused by the member subsequent to the initial written estimate.
- (c) A partial or total refund of an Advance-in-Aid of Construction for any line extension will be made if additional members with qualifying permanent structures are served from the extension within ten (10) years as follows: Any previously paid Advance-in-Aid of Construction will be recomputed to reflect additions of new members with qualifying permanent structures served from the extension. Each new member served from an extension on which Advances were paid shall be allocated a prorated share of the original line extension cost. These allocated costs may be covered in whole or in part by the Association's standard offering as described in Section 7.1. When costs for an extension are allocated to a subsequent member, the Association will refund or credit, as appropriate, any subsequent advances for construction to those members who previously advanced money for connection to the completed line extension.
- (d) Individuals or companies that make an Advance-in-Aid of Construction to the Association are responsible for keeping the Association informed of their current address.
- (e) Advances-in-Aid of Construction will be refunded annually to members due such refunds because of additional new members being served by the line extension within the ten (10) year period referred to in paragraph 7.2 (c).
- (f) Advances-in-Aid of Construction are not interest bearing.
- (g) Residential or Commercial/Industrial Subdivisions
 - (1) Overhead Facilities

The owner of a subdivision may request the installation of overhead electrical service to all lots in the subdivision. The Association will provide a construction cost estimate for the facilities to be extended to the subdivision and the provisions of Section 7.1 will be applied to each lot to be developed by the owner. If the construction cost estimate exceeds the cost provided for in Section 7.1, the owner will, prior to installation of electrical facilities, pay the Association an "Advance-in-Aid of Construction" equal to the estimated construction cost minus the cost provided for in Section 7.1. The "Advance-in-Aid of Construction" may be refunded to the owner contingent upon hook-up of additional loads within ten (10) years referred to in paragraph 7.2 (c).

(2) Underground Facilities

The owner of a subdivision may request the installation of underground electrical service to all lots in the subdivision. The provision of Section 7.2(g)(1) will apply, however, the added cost above that which would be required for overhead facilities shall be estimated by the Association and paid to the Association as a "Contribution-in-Aid of Construction" by the owner. Such contributions are non-refundable.

(h) Mobile Home Courts

Facilities to mobile home courts will be furnished as stated above in paragraph 7.2(g)(1) and 7.2(g)(2) and in accordance with applicable State codes and regulations.

(i) By Member

The design of member constructed facilities must be in compliance with applicable codes and standards provided by law and substantially equivalent to the Association's design standards for utility-installed line extension. The Association design standards for line extension are available for review and will be provided during business hours upon request.

1) Easement

The Association will assist the member in obtaining right-of-way easements if requested by the member. The reasonable cost of any assistance provided by the Association to the member in obtaining easements shall be borne by the member.

2) Member-Installed Extension

In the event the member elects to have the extension installed by an electrical contractor, the member must agree to install only materials acceptable to the Association, and to install the facilities in accordance with the Association's standard engineering design construction practices.

3) Facilities Extension Agreement

The member must enter into an agreement with the Association prior to commencement of extension of facilities. Costs incurred by a member for a member constructed extension are not eligible for refund.

4) Final Inspection/Approval

The Association reserves the right to reject any construction provided by the member which is not in accordance with the Association's standard engineering design construction practices. The Association will not energize the member installed electrical facilities until the facilities have been accepted by the Association.

The Association shall not be considered an agent of the member nor shall the member be considered an agent of the Association for any purpose. The Association may in certain circumstances require appropriate insurance and/or bonding. The member must comply with all applicable federal, state, and local ordinances.

Member installed facilities must, upon acceptance by the Association, be granted to the Association as a contribution to the Association. The member shall relinquish all ownership of the facility at that time. The member shall accept full responsibility and liability of the facilities until such time as the Association has issued acceptance of the installed facilities. Any damages to property and/or persons during the construction of the electrical facilities shall be the responsibility of the member.

The Association shall perform final inspection of the facility within five (5) working days of receipt of notice of completion, in writing, from the member. The Association shall indicate to the member, in writing, acceptance of the facility by the Association. The member must warrant facilities and workmanship for a period of one (1) year from acceptance. The facility shall be energized by the Association within five (5) working days of acceptance by the Association or request by the member, whichever is later.

(j) Request for New Underground Facilities

When the Association constructs underground facilities at a member's request, the member shall provide the Association with a "Contribution-in-Aid of

Construction" equal to the difference between the estimated cost of overhead construction and the actual cost of the underground facilities.

(k) Request to Change Overhead Facilities to Underground Facilities

The member shall be responsible for the full cost of the new underground facility and the cost of removal of the overhead facility.

(l) Winter Construction

The member shall reimburse the Association for any additional cost incurred by the Association should the member proceed or commence with construction work after freeze-up. This additional cost includes, but is not limited to, damage done to roads or other improvements caused directly or indirectly by back filling trenches or other utility excavations. Six (6) inches of frost is normally considered freeze-up. The Association shall be the sole judge of when freeze-up has occurred.

If the Association is instructed by the member to proceed or commence with winter construction, the Association reserves the right at its sole discretion to impose special charges or assessments to recover costs incurred because of winter construction. The charges associated with winter construction shall also be considered nonrefundable. The Association further reserves the right to require that construction be delayed or postponed until the onset of the next regular construction season or at such other time as the Association may require. Any special charges or assessments imposed by the Association shall be paid by the member to the Association prior to commencement or continuation of winter construction.

7.3 System Upgrade

The member is not responsible for the cost of system upgrade that is incidentally the result of the member's addition to the system if the member has a load requirement comparable to those in the area being served by the facilities requiring upgrade.

8. RELOCATION OF FACILITIES

8.1 Consumer Requesting Relocation

The member must enter into an agreement with the Association prior to commencement of relocation of facilities by either the Association or the member.

The Association will bill the consumer for such relocation at the Association's normal reimbursable work order costs, including general overhead with a credit for system improvements, if any.

9. SERVICE CONNECTIONS

9.1 General Requirements

As a guide for the applicant or the applicant's electrical engineer and contractor regarding an installation, the Association has prepared Electric Service Requirements.

Copies are on file at the office of the Association. As issued and as modified from time to time without notice, these specifications will be enforced.

The Association will furnish the meter and connect its distribution lines with the member's service entrance. The conduit, wiring, service equipment, enclosure, meter base, disconnect switch, and associated equipment shall be furnished by the member.

9.2 Location

The location of the member's service equipment and point of service connection must be mutually agreed to by the Association and the member. The point of service connection should be on the side of the building closest to the Association's pole or transformer. There will be no equipment installations on the Association's poles. Any additional costs for routing the service by any other route except as mutually agreed upon by the Association and the member will be paid for by the member.

9.3 Primary Service

Where primary voltage metered service is supplied in accordance with the line extension (Section 7), the Association shall furnish, install, and maintain such switches, transformers, regulators, and other equipment as may be deemed necessary.

9.4 Service to Multi-Occupant Building

The member must arrange the wiring of a multi-occupant building so that the wiring for all stores or apartments will terminate at a common point designated by the Association. All units must be individually metered in accordance with 3AAC 50.200, Individual Electric Meters.

9.5 Grandfathered Master Meters

Existing services where master meters were installed prior to June 30, 1996, and the member does not desire to convert to individual metering and individual account billing by the Association, may continue to receive service as currently provided. All new services will comply with Section 9.4 and Section 9.6 as of the date adopted. The Association will not be obligated to provide direct service to any mobile home when a central delivery and a secondary system are provided.

9.6 Service to Mobile Home Parks

In order for the occupants of mobile home parks to receive service, the mobile home park owner must furnish, install, and maintain a service distribution system in accordance with applicable electric codes and the Association's requirements. This rule applies to all additions to existing systems and new parks developed after the effective date herein.

9.7 Service to Recreational Camper Parks

For service to recreational camper parks where the nature of service is not permanent but of a transient use, the Association will install primary service and transformer with one meter in accordance with the criteria of the Association's current line extension policy.

9.8 Connection Time Periods

The Association will establish service to existing facilities within five (5) working days following request by an applicant who has been accepted for service by the Association. An existing facility for this purpose is defined as a consumer facility which is ready, accessible, and acceptable to the Association, where the Association needs only to install a meter, read a meter, or turn on the service. If within this five (5) day period the member requests the connection occur outside of regular working hours, the Association will assess an after-hours connection charge as listed in the Schedule of Fees.

If the Association cannot establish service to a new consumer facility under construction within thirty (30) days after it receives an application, it will, within fifteen (15) working days from the date of application, advise the applicant in writing of the reason for the delay, any interim type of service which may be available, and an estimated date when the requested service will be provided. For the purpose of this ruling, "new consumer facility" means consumer facilities which require the Association to do more than install or read a meter before service can be provided.

If the Association finds it is unable to meet any previously scheduled date for establishing service for a new consumer facility, it will advise the member in a timely manner of the revised date upon which service will reasonably be available.

9.9 Consumer's Wiring and Equipment

The consumer shall install, own, and maintain all wiring and equipment beyond the service connection, except meters and special facilities installed or furnished by the Association. The consumer will be required to install the main disconnect switch in accordance with all applicable codes and the Association's written guidelines. It is the responsibility of the consumer to ensure the electric installations conform to all applicable codes and the Association's written guidelines.

The consumer shall furnish and install an Underwriter's Laboratory-approved meter socket or sockets, as specified by the Association, for the installation of the Association's metering equipment. If instrument transformers are required, the consumer shall furnish and install mounting brackets or a suitable enclosure with the necessary conduit as specified by the Association. It shall be the consumer's responsibility to provide suitable protective equipment, such as fuses, circuit breakers, and relays to adequately protect the consumer's equipment. The

Association reserves the right to refuse or discontinue service whenever the consumer's equipment or wiring is in hazardous condition or not in conformity with lawful codes and local regulation. The Association shall not be held liable for any loss or damage to persons or property resulting from defects beyond the service connection to the consumer's installation or equipment or the delivery of energy thereto.

9.10 Motors

(a) Motor Protective Devices

It shall be the responsibility of the consumer to provide suitable protective apparatus on all motor installations, including adequate protection against single phasing on three-phase motors.

(b) Motor Starting Limitations

It shall be the responsibility of the consumer that use of electricity shall not interfere with the quality of service or that supplied to neighboring consumers.

(c) Single-Phase Motors

Single-phase motors up to and including the one (1) horsepower rating may be operated by consumers served at any of the single-phase service voltages, except that one-half (1/2) horsepower motors on recurrent starting with more than one (1) start per hour (such as those operating water pumps, furnace blowers, etc.) should preferably be served at not less than 208 or 240 volts. All consumers who operate single-phase motors larger than one (1) horsepower rated capacity, irrespective of frequency of starting, will be served at 208 or 240 volts or higher. Special written approval of the Association is required for single-phase motors larger than five (5) horsepower.

(d) Polyphase Motors

Reduced starting current shall be required on all motors exceeding twenty (20) horsepower at 240 volt or forty (40) horsepower at 480 volt nameplate rating, unless otherwise agreed to in writing with the Association. Across-the-line starting of the consumer's motor twenty (20) horsepower and less will normally be permitted, but when the locked rotor current of a motor exceeds the value listed in the following table (Table One (1)) or the motor will be started more frequently than one (1) start per hour, the Association may require the use of a suitable starting device to limit the starting current. Failure to install a suitable starting device at the Association's request will render the consumer liable for payment of the installed cost of additional

utility facilities to eliminate such detrimental voltage fluctuations as may result from the consumer's operations.

TABLE 1

Polyphase Motor Maximum Allowable Locked Rotor Current
(Derived from NEMA Standards)

<u>Rated Size H.P.</u>	<u>208 Volts 3 Phase</u>	<u>240 Volts 3 Phase</u>	<u>480 Volts 3Phase</u>
7.5	133	124	62
10	166	156	78
15	244	230	115
20	319	300	150

- (e) Approval by the Association is required for all across-the-line start motors larger than twenty (20) HP.
- (f) The following information shall be submitted to the Association when approval for motor service is requested: address of installation; motor horsepower; voltage; number of phases; locked rotor current guaranteed by the manufacturer or by test; type of driven load; maximum number of starts per eight (8) hour period; type of starting device; and horsepower rating of the largest motor if one (1) of a group.

9.11 Special Load Limitations and Requirements

(a) Non-Inductive Loads

Where non-inductive loads are energized from the Association's secondary system and the ON-OFF frequency of load application is more than one (1) ON-OFF cycle per hour, the maximum load on any one (1) service feeder shall not exceed one hundred (100) kilowatts three-phase or forty (40) kilowatts 240 volt single-phase, without written approval from the Association. Loads in excess of these amounts may require special switching.

(b) Welding Equipment

Welding Equipment shall be of the limited input type which conforms to the standards of the National Electrical Manufacturers Association.

(c) Minimum Power Factor Limitations

Low power factor lighting such as neon, mercury vapor, and fluorescent shall have suitable auxiliary equipment to provide a power factor of not less than eighty-five percent (85%) lagging.

Unless otherwise specifically agreed, the Association shall not be obligated to deliver electric energy to the consumer at any time at a power factor below seventy-five percent (75%).

(d) Polyphase Equipment

When a consumer requests a polyphase service for small loads (i.e. five (5) to ten (10) HP) in an area not having this type of service available, the Association may require the consumer to provide an approved phase converter.

9.12 Standby Generation/Consumer Owned

Production of electric energy by means of standby generation facilities which may be interconnected with the Association facilities shall be subject to appropriate regulations as shall be fixed from time to time by the Association and the applicable rate schedules. These regulations shall include the requirement for the installation of a double-throw switch on the consumer's side of the kilowatt-hour meter, with capacity in either position equal to the total connected electrical load through the switch. All such installations shall be subject to prior approval of the Association in order to ensure the safety of the Association's personnel.

9.13 Cogeneration

Consumers electing to inter-connect with the Association's system must first be determined to be a "qualified facility" (QF) as prescribed by Section 201 of the Public Utility Regulatory Policies Act and must make application in writing to the Association and agree to be bound by the applicable terms and conditions of the inter-connections. Any consumer who is a QF generating less than one hundred kilowatts (100 kW) shall meet all conditions and obligations set forth in rate schedule SMS. Any QF generating greater than one hundred kilowatts (100 kW) shall meet all conditions and obligations set forth in rate schedule SMS.

9.14 Net Metered Generation

Interconnection with net metered generation is subject to the term and conditions set forth in Rule 15 of this tariff.

10. BILLING AND COLLECTION

10.1 Payment of Bills

Bills for electrical service are due and payable when rendered.

The Association receives payments by: mail, online using E-bill, at the headquarters' facility drop box or in person.

If service is connected within two (2) working days of the route reading date, a bill for this period may not be rendered, but these readings will be included with the readings of the next regular billing.

A member's failure to receive bills or notices which have been properly addressed and placed in the United States mail, will not prevent the bills from becoming past due or delinquent or excuse the member's responsibility for payment.

No member who tenders a non-sufficient funds check will be relieved of the obligation to pay the Association under the original terms of the bill or be entitled to defer the Association's right to disconnect service for nonpayment of bills. See Schedule of Fees for dishonored check charge.

(a) Past Due Amounts

Bills which are not paid in full and received by the Association within twenty-five (25) days of the date rendered shall be considered past due unless the member enters into a deferred payment agreement with the Association in accordance with Section 10.2 within the twenty-five (25) day period. A late fee as set forth in the applicable Schedule of Fees will be charged for all bills which become past due. All amounts which are past due and the late fee will be included and separately indicated on the following month's bill.

(b) Delinquent Bills

All past due amounts and the associated late fees which are not received within forty (40) days after initial rendering of bill will be considered delinquent and the Association will charge a Delinquent Fee unless within that period the member enters into a deferred payment agreement with the Association. All amounts due which become delinquent, will be separately indicated on the next monthly bill. A member who is delinquent in payment is subject to disconnection under the procedures set out in Sections 10.9 and 10.10.

A member who has entered into a deferred payment agreement in accordance with Section 10.2 will not be subject to disconnection for nonpayment of the delinquent bill, as long as the member complies with the terms of the deferred payment agreement.

A member who has been disconnected for nonpayment will only be reconnected if the member pays the full amount due, plus a reconnection fee, and an additional deposit if required, or enters into a deferred payment agreement, if qualified to do so.

The Association will charge a fee for the reconnection of service, during work hours and outside of work hours, as set forth in the applicable Schedule of Fees.

10.2 Deferred Payment Agreements

A residential member who is not able to pay the full amount of a bill for service or security deposit because of economic hardship may enter into a deferred payment agreement with the Association.

The consumer must, at the time of the agreement, pay at least one-third (1/3) of the total amount due, or less at option of the Association. Deferred Payment Agreement forms are available at the Association office.

A Deferred Payment Agreement shall be of three (3) months' duration or less at the request of the consumer, unless extenuating circumstances can be proven and a contract is approved by the Association to extend for a period not to exceed twelve (12) months.

All Deferred Payment Agreements will be in writing, and will be signed by the member and a representative of the Association as duly authorized by the President/CEO of the Association. If a member fails to keep a deferred payment agreement, said member will no longer be qualified to enter into future deferred payment agreements.

10.3 Account Responsibility

- (a) When the application for service has been signed by two (2) or more individuals, the Association may collect the full amount of any bill for service from any one of the applicants.
- (b) Bills are rendered in the name of the person shown in the Association's records as the party responsible for electric consumption at the specified location. Any change of occupancy, ownership, or account responsibility must be reported to the Association in writing or verbally with appropriate identification. The outgoing consumer will be held responsible for all services supplied until such notice has been received by the Association.
- (c) The Association may sign an agreement with owners or operators of rental properties for the automatic continuance of service in the owner's name during periods of vacancy between renters. During such periods of vacancy, the owners will be billed as specified in the applicable rate schedule. The Rental Agreement form is available at the Association office. The Association reserves the right to discontinue electric service to the owner or tenant when the owner or tenant, respectively, is delinquent in the payment of his/her bill for electric service.

10.4 Payment During Member's Absence

It is the responsibility of the member to make prepayment or other satisfactory arrangements with the Association office if absence from the community or other reasons will preclude the timely payment of the member's account. The Association will accept advance payments to accommodate the member.

10.5 Meter Reading and Estimate Billings

The Association shall separately bill for each meter at a member's premises, except under conditions as set out in Section 11.1 (c).

Meters will be read approximately every thirty (30) days, and bills will be sent out as soon as practical thereafter. The periods between meter readings will vary because of weekends, holidays, etc. No adjustments to billings will be made on account of such variations. If circumstances beyond the Association's control make meter reading

dangerous or impractical or a member fails to turn in a meter reading as arranged with the Association, the Association may send a bill based on estimated usage, considering, where applicable, the member's usage during the same month of the previous year or the amount of usage during the preceding month or months. The member will be informed on the bill that the amount is an estimation.

10.6 Make-up Bill

The Association may render a "make-up" bill, without finance charge, for previously unbilled electric service as a result of a billing error by the Association or more than two (2) consecutive estimated bills, subject to the following restrictions:

- (a) The initial make-up bill must be issued within (6) months of the previously unbilled service;
- (b) and the period of payment, at the option of the member, may extend at least as long as the period during which the excess amount accrued, or as long as necessary so that the amount of each bill is not greater than one hundred fifty percent (150%) of the normal estimated billing amount for that period.

10.7 Levelized Billing

The Association offers a levelized billing option to its residential members and will notify all members of this option. The Association will provide any residential member asking for information about the program the following information: an estimate of the member's levelized billing amount; how the billing estimate was developed; how levelized billing will impact the member's monthly bill; that the Association may adjust the levelized bill if estimates vary significantly from the member's actual usage or cost or for causes such as weather and rate changes.

10.8 Dishonored Checks

A fee as set forth in the applicable Schedule of Fees for additional costs incurred by the Association will be charged for all dishonored checks. Should the Association be forced to pursue legal action, a fee of one hundred dollars (\$100.00) or three (3) times the face value of the check, not to exceed one thousand dollars (\$1,000), can be assessed by the courts. Any person who has tendered two (2) dishonored checks to the Association within a twelve (12) month period may be denied the privilege of

paying by personal check. Future payments will be required to be in cash or another medium of payment approved by the Association. See Schedule of Fees.

10.9 Disconnection of Service

(a) By Request

If a member, either in person or in writing, requests that service be disconnected, the Association may hold that member responsible for all services up to the latter of the date the disconnection is to be made or three (3) working days after the date requested.

(b) Without Notice

The Association may disconnect a member's service without advance notice under the following conditions:

- (1) An immediate hazard exists which threatens the safety or health of the consumer or the general population or the Association personnel or facilities;
- (2) The Association has evidence of meter tampering, energy diversion or fraud by the member;
- (3) A consumer has failed to comply with the curtailment procedures imposed by the Association during emergency supply shortages.

(c) With Notice

The Association may commence disconnection procedures in accordance with noticing procedures as outlined in Section 10.10 or for any of the following reasons:

- (1) Failure of the member to pay a delinquent account within forty (40) days after initial rendering of the bill unless the consumer has entered into a deferred payment agreement;
- (2) failure of the member to meet or maintain the Association's deposit requirements, unless the member has entered into a deferred deposit payment agreement;
- (3) continued failure of the member to provide the Association with reasonable access to its meter, equipment, or property;
- (4) member breach of a contract between the Association and member for utility service;
- (5) necessity of the Association to comply with an order or regulation of any governmental agency with proper jurisdiction;

- (6) when there is any installation which, in the opinion of the Association, is injurious to the operation of the Association's system or its service to other members;
- (7) continued use of temporary service for longer than twelve (12) months, unless the Association has approved the extension or an application for extended temporary service has been made (see Section 4.2).

The Association will restore service within three (3) working days of correction of the conditions which resulted in the disconnection. Correction includes execution of a deferred payment agreement. The fee for reconnection during work hours and outside work hours is set forth in the applicable Schedule of Fees.

(d) Exceptions

The Association will not disconnect service based on any of the following reasons:

- (1) Delinquency in payment for services rendered to a prior member at the premises where service is being provided, except in the instance where the prior consumer continues to reside on the premises, (see Section 6.8);
- (2) failure of the member to pay for other services or equipment;
- (3) nonpayment of a bill related to another class of service at a different service location;
- (4) a member disputes the amount due on the delinquent account, complies with the Association's rules on consumer bill disputes, and the dispute remains under investigation. However, a member will be held responsible for any undisputed amounts, and the Association may proceed to disconnect service in accordance with the provisions for failure to pay any undisputed amounts;
- (5) the member is unable to pay the full delinquent amount due, qualifies under the requirements for deferred payment agreements (Section 10.2) and is in compliance with a signed, or is in the process of timely negotiating, a deferred payment agreement.

10.10 Notice Requirements for Disconnection of Service

(a) Notice Procedure

The Association will make an effort to telephonically and/or electronically notice a member prior to disconnecting electric service. The billing statement will clearly state the disconnect date for delinquent accounts. The Association will generally disconnect service after an account has been delinquent for fifty-five (55) days.

When the Association has knowledge that a residence is occupied by a person seriously ill, elderly, disabled, or dependent on life support systems, the Association will provide written notice at least thirty (30) days before the scheduled date of disconnection.

At least three (3) working days prior to disconnection date, the Association will attempt to contact the member telephonically and/or electronically. Records will be kept of each attempt to contact the member.

Within ten (10) days after the specified disconnect date, the Association may without further notice disconnect service to a member between the daily business hours of 8:00 a.m. to 5:00 p.m. Monday through Friday. Service will not be disconnected on a day preceding a holiday.

(b) Landlord/Tenant Procedure

Where the Association has been notified in writing of a landlord/tenant relationship, the following procedure applies:

- (1) Where the premises are served by a master meter and the landlord is a member of the Association, KEA will attempt to contact each tenant served through the meter of the pending disconnection before it is scheduled to occur.
- (2) If the premises are individually metered and the landlord is the member of the Association, the tenant or occupant will be notified before disconnect. The tenant will have the option of applying for service or paying the delinquent amount.
- (3) Where the tenant is the member of the Association, the landlord will be notified the same day as the disconnection. The landlord has the option of applying for the service provided at the tenant's premises or paying the delinquent amount.

The Association will not attempt to recover from a landlord amounts due the Association from the tenant, or recover from a tenant amounts owed by the landlord, nor will payment of such amounts be a condition of extending service to the applicant. However, if the applicant owes an outstanding balance to the Association for service to that service address, payment of this balance and all associated late fees will be required before service will be extended to the applicant, whether a landlord or a tenant. The Association will require a deposit as set forth in Section 6.10.

The Association may disconnect service to the premises if the landlord or the tenant, as the case may be, declines to apply for service or arrange for payment of the delinquencies where applicable.

10.11 Equipment Removal

The Association may remove any or all of its property installed on a consumer's premises upon disconnection of service.

10.12 Combined Billing

The rates set forth in the individual rate schedules are based upon the supply of service to one (1) consumer through one (1) meter on the premises, and energy and/or demand measured through two (2) or more meters on the same premises will not be combined for billing purposes except in the following instances:

- (a) When two (2) or more service connections are necessary to provide service at the least expense to the Association;
- (b) When two (2) or more service connections are necessary to provide proper and reliable service without undue interruption.

Upon request of an applicant, the Association will install more than one (1) meter, but in such instances the bill for service through each meter will be computed separately and billed in accordance with the applicable rate schedule.

10.13 Disputes – Billing

In the event of disputes between the consumer and the Association concerning any bill or service, the Association will make such investigations as shall be required by the particular case and report the results thereof to the consumer.

In the event the complaint is not reconciled by the staff or management, the procedures set out in Section 6.20 will be followed.

11. RESALE OF ELECTRICITY (GRANDFATHERED)

11.1 Sale of Electricity for Resale

- (a) A retail member shall not sell or otherwise provide electric service furnished by the Association. No service will be supplied through a master meter for sub-metering for resale.
- (b) Installations in existence prior to December 31, 1982 may continue to resale electric service through existing metering under the Association's standard rates applicable to the sub-metered premises until such time as the entire service is discontinued or the facilities are altered or upgraded.
- (c) This rule does not prohibit a member from furnishing unmetered electric service to rental units not required to be individually metered where the cost of electricity is included in the rental charge.

12. LIABILITY

12.1 For Interruption of Service

The Association will make reasonable efforts to provide adequate and continuous electric service. The Association shall have the right to temporarily suspend service for the purpose of making repairs or improvements to its facilities. In such cases, where possible, advance public notice shall be given.

12.2 For Member's Equipment

The Association does not give any warranty expressed or implied, as to the adequacy, safety, or other characteristics of any structures, equipment, wires, conduit, appliances or devices owned, installed or maintained by the member or leased by the member from third parties.

12.3 Non-Liability For Consequential Damages

The Association does not guarantee adequate and continuous electric service and shall not be liable for injury, loss, or damage of any type or nature, including (without limitation) consequential damages, resulting from any failure or curtailment of electric service, nor shall such failure or curtailment constitute a breach of contract.

13. SPECIAL SERVICE

13.1 Charges

All work done by the Association for consumers, in addition to work during regular working hours associated with supplying electric service, will be charged the Association's actual cost, including labor, transportation, materials, indirect costs, and overhead.

For certain special services, the Association has established fixed charges in the Schedule of Fees based upon representative average costs of such services.

13.2 Nature of Service

This section may include such special services as listed below:

- (a) Installation and removal of temporary service.
- (b) Connecting or disconnecting service outside regular business hours at the request of the member.
- (c) Relocation or removal of Association owned facilities.
- (d) Making temporary facility changes to accommodate members.

- (e) Making emergency repairs to member's electrical equipment or repairing the Association's equipment damaged by the member, or the member's contractor or agent. A deposit may be requested in advance for this service.
- (f) Upgrading the Association's facilities to accommodate additions or changes in member's load.
- (g) Repairs to the Association's property damaged by others.

13.3 Relocation of Facilities Located Within Municipal Rights-of-Way

- (a) In the following situations involving relocation of the Association's facilities located within a municipality's right-of-way, the municipality shall pay in full, as a contribution-in-aid of construction, the reasonable cost of making such relocation:
 - (1) Where the relocation is requested by the municipality pursuant to municipal project or activity reflected in the municipality's capital budget;
 - (2) Where the relocation is necessitated by a disturbance to the Association's facilities incident to a municipality constructing facilities or otherwise working on a municipality's right-of-way;
 - (3) Where the relocation is requested, in writing, by a municipality for the benefit or a third (3rd) party incident to the third (3rd) party constructing facilities or working in the municipality's right-of-way. This provision does not affect any right of recovery by the municipality against a third (3rd) party.
- (b) Notwithstanding the provisions of (a), above, the Association shall pay the cost of relocating its facilities where the relocation is made necessary by:
 - (1) The failure of the Association to install the facilities in a reasonably prudent manner.
 - (2) Repairs by the municipality necessary either to restore after emergency or to otherwise reasonably maintain serviceability to the right-of-way in the condition existing when the Association first constructed its facilities;
- (c) Upon application by a municipality for relocation of electric facilities, the Association will prepare an engineering design for the project. The municipality shall pay for the cost of preparing the engineering design and any costs of inspection, cut over, and switching associated with the relocation. Engineering design, inspection, cutover, and switching will be performed by the Association or the Association's contractor.

The Association will coordinate the engineering design with the municipality. The location of the electrical facilities shall be approved by the municipality prior to development of the final design.

If the municipality requests the Association to perform the relocation work, the Association will provide the municipality an estimate of the cost of the work including materials, construction labor, equipment, permits, and the Association's standard allocation of indirect costs utilized with the State of Alaska Department of Transportation and Public Facilities plus a ten percent (10%) contingency. Upon completion of the work, the municipality will pay the Association the amount of the estimate or the actual cost, whichever is less. Payment will be due forty-five (45) days from the date the Association submits an invoice to the municipality.

Any salvageable material that is retired from the line to be relocated will be a credit to the municipality. Any upgrade in capacity of the electrical system as a result of the relocation will be paid by the Association.

The municipality may obtain plans and specifications from the Association to be incorporated into a bid package for competitive bidding by private construction contractors. The Association may submit a bid or offer to subcontract to perform such relocation work.

14. NONFIRM POWER PURCHASE FOR QUALIFYING FACILITIES 100 KW OR LESS

14.1 Availability

- (a) Available in all territory served by the Association.
- (b) Applicable to qualified cogeneration and small power production facilities (QF) of one hundred (100) KW or less.
- (c) The type of service shall be single- or three-phase, 60 Hertz at the Association's standard voltage.
- (d) The Association reserves the right to limit the number of members per substation circuit receiving service under the terms of this schedule if operational constraints require such limitations to maintain system reliability.

14.2 Nonfirm Power Purchases

The Association will purchase electricity from the QF at the Association's avoided cost of energy (kWh) calculated as follows:

- (a) Avoided Energy Cost

(1) Avoided Energy Cost (c/kWh)

Incremental cost of operating thermal generation used to meet power requirements, when the Association cannot meet one hundred percent (100%) of its requirements with renewable energy generation. Diesel usage for maintenance purposes is estimated as the equivalent of two (2) hours of diesel usage per day and will not be considered an avoided

energy cost for the Association.

(2) Example calculation:

- a. Cost of Fuel (less maintenance purpose fuel) \$
- b. Divided by thermal generation kWh
- c. Nonfirm Power Purchase Rate \$/kWh = c

If cost of fuel ≤ 0 avoided cost = 0

- (b) These rates represent the avoided cost to the Association of nonfirm power.
- (c) Notification

Except during system emergency conditions and diesel generation of the equivalent of two (2) hours or less per day, the Association shall provide QF with telephone notice when the Association is operating thermal generation to meet system requirements and the Association's avoided cost is greater than zero (0). QF shall provide the Association with a telephone number for purpose of notice.

- (d) This rate will be adjusted with cost of power adjustments.

14.3 Terms and Conditions

- (a) Service

Service is subject to the Association's rules and regulations.

- (b) Obligation to Inter connect

The Association is obligated to inter connect only with qualifying facilities (QF) that comply with the commonly accepted utility safety and reliability standards.

- (c) Inter connection Charges

See Schedule SMS.

- (d) Payment of Inter connection Charges

- (1) Installation Charge

See Schedule SMS.

- (2) Maintenance Charges

See Schedule SMS.

(e) Operations in Parallel

- (1) A QF has the option to operate in parallel with the Association. Otherwise, the standard interconnection will be a simultaneous purchase and sale arrangement. The first meter will be provided by the Association while any additional meters will be included in the interconnection costs.
- (2) A QF that has a generating capacity of 10 KW or less has the option of using a single detent meter during parallel operation.

(f) Condition of Purchase

The Association may decline to purchase power from QF if:

- (1) The purchases result in costs greater than those that the Association would have incurred if it had not made such purchases, but had instead generated or purchased an equivalent amount of power.
- (2) During a system emergency, purchases from a QF would further contribute to the emergency.
- (3) With the agreement of the QF, the Association transmits the electric power to another electric utility which is obligated to purchase that electric power as it were supplied directly by the QF.

(g) The Association Service

- (1) The Association shall provide service to a QF including, but not limited to, supplementary power, back-up power, maintenance power, and interruptible power except where the service will either impair the Association's ability to provide adequate service to its consumers or impose undue burden on the Association.
- (2) Any discontinuance of sales to a QF during a system emergency shall be on a nondiscriminatory basis.

(h) Conditions for Disconnect

- (1) The Association may disconnect a QF without notice if a hazardous condition exists in the equipment of the QF and immediate action is necessary to protect persons, Association facilities, or other customers' facilities from damage or interference imminently likely to result from the hazardous condition.
- (2) Within ten (10) days after disconnection, the Association will notify the QF in writing of the reasons for the disconnection.

(i) Maintenance of Facilities

See Schedule SMS.

(j) Insurance

In addition to any other insurance requirements, QF shall indemnify the Association against loss or liability associated with, or arising from, the QF's operation. QF shall be insured to the satisfaction of the Association. QF shall upon request submit to the Association evidence of insurance, naming the Association as additional named insured. Insurance requirements will be appropriate to the type, size, location and risk of the facility installed and will be consistent with standard utility practice.

(k) Purchases from QF

The Association's monthly payments for purchase from QF may be reduced by the amount of any monthly inter-connect payments, standby charges, KW demand charges, payments for purchases of electric energy by QF, or other delinquent charges as may be due the Association.

(l) Requirements of Contract at the Association's Option

The Association may require on a reasonable and nondiscriminatory basis a power sales agreement or a parallel operation agreement prior to inter-connection. Contract shall be consistent with the requirements of Alaska law including the Alaska Administrative Code.

(m) This rule does not apply to qualifying facilities for which an application for interconnection of an eligible member generation system has been approved or which have net metered generation under Rule 15 of this tariff.

15. NET METERING

15.1 Eligibility

A member may interconnect and operate in parallel an eligible member generation system on the member's side of the Association's meter in accordance with this rule.

(a) Eligible member generation systems will not be permitted to interconnect with the Association's system if allowing the eligible member generation system to be connected to the Association's system would result in the total nameplate capacity of all net metered generation exceeding 1.5 percent of the Association's average retail demand during the prior calendar year as set forth in Section 15.8.

(b) The Association may refuse to allow a member to connect, or to maintain connected, net metered generation if the member sells electric energy to the

Association under a contract that allows the member to collect more than the non-firm purchased power rate per kilowatt-hour under this tariff for the electric energy sold.

- (c) The Association may refuse to allow a member to connect an eligible net meter generation system if such refusal is reasonably necessary to address system stability constraints or other operational issues.

15.2 Interconnection

- (a) If the Association determines that additional disconnection capability is necessary, the Association shall give the member the option to:
 - (1) install an external disconnect switch in a location readily accessible by Association personnel, as determined by the Association; or
 - (2) agree to allow the Association to disconnect the member's non-utility generation and the member's load.
- (b) The member shall be responsible to pay for the installed cost of the external disconnect switch and necessary wiring if the location determined under (a)(1) of this section is:
 - (1) within five feet of the member's meter base;
 - (2) at the member's main structure; or
 - (3) at a location otherwise agreed to between the Association and the member.
- (c) If the installed location of the external disconnect switch is any other location than prescribed in (b) of this Section, the Association may require the member to pay for the installed costs of the external disconnect switch but the Association must pay for necessary wiring.
- (d) Criteria and requirements for interconnection with members shall be governed by the IEEE Standard 1547 for Interconnecting Distributed Resources With Electric Power Systems.
- (e) Requirements for interconnection system equipment shall be governed by the UL Standard 1741 for Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.

15.3 Application

Prior to connecting an eligible member generation system, a member must submit a completed *Interconnection Application for Net Metered Generation*.

15.4 Metering

The meter used by the Association to measure the quantity of electrical energy and

electrical demand for billing purposes shall be capable of accurately measuring the flow of electric energy both to and from the Association's system so that the net electric energy over any billing period can be accurately determined. The Association may install, at the Association's expense, additional metering that directly measures the output of the net metered generation. If the Association elects to install such additional metering, the member and the Association shall agree on a meter location that provides the Association with reasonable access to the additional metering.

15.5 Billing and Charges

Members with net metered generation will be charged for service, including net flow of electric energy, under the applicable rate schedule for their service except that if there is a net flow of electric energy from the member's facilities to the Association's system over a billing period, the member shall receive a credit equal to the product of the net flow of energy during the billing period and the non-firm purchased power rate under this tariff effective at the end of the billing period. The credit shall be applied against future charges until exhausted. Any unused credit existing at the time of termination of the member's electric service shall be refunded to the member without interest.

15.6 Insurance

The Association may require members with net metered generation to have in place liability insurance coverage that applies to eligible member generation equipment in an amount of at least \$300,000, provided that such coverage is readily available and of a reasonable cost to the member.

15.7 Relationship to Other Tariff Provisions

Upon approval of an application for interconnection of an eligible member generation system that is also a qualifying facility or upon interconnection under this Rule with an eligible member generation system that is also a qualifying facility, the rights and obligations of the member and the Association shall be governed by the provisions of this Rule and not the provisions of Rule 14 of this tariff.

15.8 Demand and Capacity Information

- (a) Average Retail Demand (Year 20xx¹) = XXX kW
- (b) 1.5% of Average Retail Demand = XXX kW
- (c) System Net Metered Generation = XX kW
Capacity as of (Year 20xx + 1²)

¹ When performing the calculation for system net metered generation capacity, Year 20xx refers to the previous calendar year (Current Year, less one)

² Year 20xx + 1 refers to the current year.

15.9 Association Inspection and Consumer Maintenance

The consumer shall maintain the Interconnection in good working order. Any modification or expansion of the Interconnection will require a separate application and approval by KEA. The Interconnection (generator and associated equipment) is subject to inspection and re-testing by KEA. The consumer is responsible for all costs associated with the maintenance of all equipment. If a consumer fails to adequately maintain the interconnection, KEA will disconnect the service at its discretion.

16. PREPAID METERING

16.1 Availability

Prepaid metering is available to any consumer receiving service under Residential Rate Schedule 01, except that prepaid metering service is not available at service locations that are occupied by persons who are seriously ill or dependent on life support systems. Levelized billing is not available for consumers served under prepaid metering. The Association's Board of Directors may discontinue or limit the availability of prepaid metering.

16.2 General Description

Under prepaid metering, the consumer prepays for electric service before it is used, instead of receiving and paying monthly bills for prior usage. Prepaid metering consumers shall not be required to pay deposits, late fees, or reconnection fees associated with prepaid service.

16.3 Initiation of Prepaid Metering

The consumer shall complete and sign the Association's application for prepaid metering. At the commencement of prepaid metering, if the Association has a consumer deposit for service at the location, the Association shall apply the amount of the deposit and any accrued interest first to any amounts outstanding for the consumer's previously used electric service, and any remaining amount of the deposit and accrued interest shall be credited to the consumer's prepaid balance. Any amounts outstanding for previously used electric service that are not paid through application of the consumer's deposit and accrued interest shall be paid in full to the Association to begin prepaid service.

16.4 Prepayment

Prepayments for electric service under prepaid metering may be paid to the Association either online, by phone, or in person at the Association's headquarters. To commence electric service under prepaid metering, the consumer shall have a prepaid balance of at least twenty-five dollars (\$25.00). Thereafter, prepayments may be paid in any amount that is at least five dollars (\$5.00) (other than prepayments to reconnect a disconnected service—see Section 16.6). If a prepayment is paid by check, or other form of payment, that is dishonored by the financial institution, the payment shall be reversed from the

consumer's prepaid balance, and the Association may assess additional charges and pursue further remedies against the consumer as provided for under Section 10.8.

16.5 Rates and Charges

The rates and charges for electric service set forth on Rate Schedule 01 shall be charged against the consumer's prepaid balance as electric service is used. The monthly customer charge set forth in Rate Schedule 01 shall be prorated across the number of billable days.

16.6 Disconnection

The Association may disconnect electric service immediately upon the consumer's prepaid balance declining below a negative balance of ten dollars (\$10.00), except that such disconnection shall occur only during Association business hours (8 a.m. to 5 p.m.) on Association working days (Monday through Friday, excluding Association holidays). The Association shall attempt to notify the consumer, by sending an e-mail, phone or text message, when the consumer's prepaid balance declines to a level that reflects three (3) days of estimated usage. When the Association has been notified in writing that the consumer is a tenant at the service location, the Association shall also attempt to notify the landlord, in accordance with the signed Rental Agreement. The Association shall not be required to provide any additional notice of disconnection. The consumer and, if applicable, the consumer's landlord, are responsible for providing the Association with current e-mail addresses and mobile telephone numbers for receiving notices of disconnection. After service is disconnected as a result of an inadequate prepaid balance, service shall be reconnected when the consumer makes a payment to restore the consumer's prepaid balance to at least twenty-five dollars (\$25.00). The provisions of this section shall apply and be controlling regardless of any provision to the contrary in Section 10.9(c)(1) regarding disconnection of service for failure to pay amounts due to the Association or in Section 10.10 regarding notice of disconnection.

16.7 Termination of Service

If a consumer terminates electric service in accordance with the provisions of the Association's rules and regulations, the Association shall refund to the consumer the consumer's then-current prepaid balance. If the consumer has a negative prepaid balance at the effective time of termination of electric service, the consumer shall be responsible for payment of the negative balance, plus any applicable fees and charges due under the Association's rules and regulations and applicable law.

16.8 Applicability of Other Tariff Provisions

Except as otherwise provided in Section 16, service provided under prepaid metering shall be subject to all provisions of the Association's rules and regulations.

B. RULES AND REGULATIONS

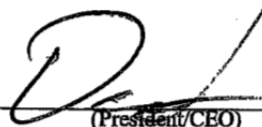
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Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:


(Board Chairman)

Attest:


(President/CEO)

SCHEDULE OF FEES

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Kodiak Electric Association, Inc.

1. Account Deposits	Up to 3 x Avg. monthly billing	
2. Record fee		25.00
3. Connect fee		
During office hours		n/c
Outside office hours		200.00
4. Reconnect Delinquent Account		
During office hours		125.00
Outside office hours		250.00
5. Late Fee (25 days past due)		
Residential	\$10 or 1.5% of past due amount, whichever is greater	
Commercial, Large Power, Processor	\$50 or 1.5% of past due amount, whichever is greater	
6. Dishonored check charge (NSF)		30.00
7. Service call (unwarranted)		
During office hours		50.00
Outside office hours		200.00
8. Meter test fee (at member request)		75.00
Refundable if meter proves inaccurate by more than 2% and no evidence of meter tampering exists.		
9. Unauthorized breakage of meter seal (subject to triple A.S.)		Up to 200.00
10. Inspection fee		
1 st inspection		n/c
2 nd inspection		50.00
Subsequent inspections		50.00
11. Cost Estimate Fees (Engineering Fee)		
A. Individual meter extension		
1 st and 2 nd estimate		n/c
Subsequent estimates		100.00

SCHEDULE OF FEES

Page 56

B. Commercial Estimate	Time & Material
12. Temporary Service Fees	Time & Material
13. Underground locates	
1 st and 2 nd locate	n/c
Subsequent locates	Time & Material

Key: n/c – No Charge

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: December 15, 2022

Signed: Cliff Davidson
(Board Chairman)

Attest: [Signature]
(President/CEO)

KODIAK AND PORT LIONS RATE SCHEDULES INDEX

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Rate Schedules

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RATE SCHEDULE
Kodiak Electric Association, Inc.

AVAILABILITY

Available to consumers of the Association for all uses including lighting, appliances, cooking, heating and motors, all subject to its established rules and regulations.

TYPE OF SERVICE

Single phase, 60 Hertz, at the Association's standard voltages.

RATE

Customer Charge	\$7.50 per month
Energy Charge	16.2¢ per kWh

COST OF POWER ADJUSTMENT (COPA)

A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation's fuel component in an amount per kWh identified on the COPA Rate Schedule.

GENERAL PROVISIONS

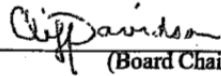
1. The foregoing schedule will be applied to each meter and service connection and in no event shall meter readings be combined.
2. Delivery of Energy – The delivery of energy shall be the point of service connection unless otherwise specified in the contract for service. All wiring, pole lines and other electrical equipment, including the meter loop on the load side of the point of service connection shall be owned and maintained by the consumer.

If service is furnished at the Association's primary line voltage, the service connection shall be the point of attachment of the Association's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering

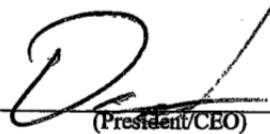
equipment) on the load side of the point of service connection shall be owned and maintained by the consumer.

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:


(Board Chairman)

Attest:


(President/CEO)

RATE SCHEDULE
Kodiak Electric Association, Inc.

AVAILABILITY

Available to consumers of the Association for all uses including lighting, appliances, cooking, heating and motors, all subject to its established rules and regulations.

TYPE OF SERVICE

Single phase, 60 Hertz, at the Association's standard voltages with a 400 amp service (320 amp continuous) with an approved manual link bypass.

RATE

Customer Charge	\$12.50 per month
Energy Charge	16.2¢ per kWh

COST OF POWER ADJUSTMENT (COPA)

A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation's fuel component in an amount per kWh identified on the COPA Rate Schedule.

GENERAL PROVISIONS

1. The foregoing schedule will be applied to each meter and service connection and in no event shall meter readings be combined.
2. Delivery of Energy – The delivery of energy shall be the point of service connection unless otherwise specified in the contract for service. All wiring, pole lines and other electrical equipment, including the meter loop on the load side of the point of service connection shall be owned and maintained by the consumer.

If service is furnished at the Association's primary line voltage, the service connection shall be the point of attachment of the Association's primary line to


consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment) on the load side of the point of service connection shall be owned and maintained by the consumer.

Effective Date: January 1, 2013
Date Adopted: January 1, 2013
Revised: March 23, 2023

Signed:


(Board Chairman)

Attest:


(President/CEO)

RATE SCHEDULE
Kodiak Electric Association, Inc.

AVAILABILITY

Available to commercial consumers and three phase consumers for all uses including lighting, appliances, cooking, heating, and motors, all subject to the established rules and regulations of the Association covering this service.

TYPE OF SERVICE

Single phase and three phase where available at available voltages.

APPLICATIONS

General service for power and lighting purposes where all service taken by the consumer is supplied through one (1) meter at one (1) service connection; available phase and voltage at option.

Service under this Schedule is limited to consumers whose load requirements do not exceed 50 (fifty) kVa of transformer capacity.

Consumers having their homes on the same premises with their business establishments may include service to both on the same meter, in which case all services will be billed under this Schedule, using the rate below.

RATE

Customer Charge	\$15.00 per month
Energy Charge	First 300 kWh @17.38 ¢ per kWh Over 300 kWh @15.25 ¢ per kWh

GENERAL PROVISIONS

1. The foregoing schedule will be applied to each meter and service connection and in no event shall meter readings be combined.

2. Service connection – If service is furnished at secondary voltage, the service connection shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electrical equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If service is furnished at the Association's primary line voltage, the service connection shall be the point of attachment of the Association's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment) on the load side of the service connection shall be owned and maintained by the consumer.

3. Single Phase Boat Harbor – It shall be considered a violation of these rules to allow multi – (more than one) boat service to provide power through a single meter. To do so will be cause for discontinued service to all boats involved.

COST OF POWER ADJUSTMENT (COPA)


A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation's fuel component in an amount per kWh identified on the COPA Rate Schedule.

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 28, 2023

Signed:


(Board Chairman)

Attest:


(President/CEO)

RATE SCHEDULE***Kodiak Electric Association, Inc.*****AVAILABILITY**

Available to consumers whose continuous fifteen (15) minute demand exceeds fifty (50) kVa during any period throughout the calendar year and who are located on or near the Association's three-phase lines for all types of usage, subject to the established rules and regulations of the Association.

TYPE OF SERVICE

Three phase, 60 Hertz, at the Association's standard voltages.

RATE

Customer Charge	\$50.00 per month
Demand Charges	All kW @ \$5.67 per kW
Energy Charges	First 20,000 kWh @15.10 ¢ per kWh Over 20,000 kWh @13.78 ¢ per kWh

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with fifty (50) kilowatts or more of measured demand to correct for average power factors lower than ninety percent (90%), and may be so adjusted for other consumers if and when the Association deems necessary. Such adjustment will be made by increasing the measured demand one percent (1%) for each one percent (1%) by which the average power factor is less than ninety percent (90%) lagging.

COST OF POWER ADJUSTMENT (COPA)

A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation's fuel component in an amount per kWh identified on the COPA Rate Schedule.

GENERAL PROVISIONS


Service Connection – If service is furnished at secondary voltage, the service connection shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electrical equipment on the load side of the service connection shall be owned and maintained by the consumer.

If service is furnished at the Association's primary line voltage, the service connection shall be the point of attachment of the Association's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment) on the load side of the service connection shall be owned and maintained by the consumer.

LIGHTING

Both power and lighting shall be billed at the foregoing rate. If a separate meter is required for the lighting circuit, the registrations of the two (2) watt-hour meters shall be added to obtain the total kilowatt-hours used and the registrations of the two (2) demand meters shall be added to obtain the total kilowatt demand for billing purposes.

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:
(Board Chairman)**Attest:**
(President/CEO)

RATE SCHEDULE***Kodiak Electric Association, Inc.*****AVAILABILITY**

Available to large power consumers who have been qualified by the Association as "Processors." This Schedule is available only to consumers who first qualify for the large power rate. All rules and regulations of the large power rate shall apply except those relating to demand readings and computations.

RATES

Customer Charge	\$50.00 per month
Energy Charges	All kWh @15.63 ¢ per kWh

POWER FACTOR ADJUSTMENT

If, in the opinion of the Association, the consumer is not maintaining a power factor within reasonable limits, the consumer's eligibility to receive service under this rate may be withdrawn.

COST OF POWER ADJUSTMENT (COPA)

A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation's fuel component in an amount per kWh identified on the COPA Rate Schedule.

TO QUALIFY FOR THIS RATE

An application to receive service under this rate must be submitted to the President/CEO of the Association for action. The criteria for acceptance have been set by Board resolution. The Board resolution established an alternative rate for qualified fish processors meaning any firm which processes seafood products, whereby they may, upon application, be eligible for the alternative fish processing rate with the stipulation they remain with the alternative rate for one (1) year. A copy of the Board resolution setting the standards for qualification will be made available upon request.

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:
(Board Chairman)**Attest:**
(President/CEO)

RATE SCHEDULE
Kodiak Electric Association, Inc.

AVAILABILITY

Available to consumers of the Association for all uses subject to its established rules and regulations.

TYPE OF SERVICE

Single phase, 60 Hertz, at Association's standard voltages. Consumer's elected LED size installed on existing facilities or on new facilities installed by the Association. Any necessary new facilities will be installed at cost and billed for at cost.

APPLICATION

To all non-metered outside street and yard lighting requested by consumers.

RATES

<u>TYPE</u>	<u>KWH</u>	<u>SIZE</u>	<u>MONTHLY CHARGE</u>
Mercury Vapor (Top Hat)*	131	400 W	\$26.41
Mercury Vapor (Conventional)*	131	400 W	\$24.51
Mercury Vapor*	82	250 W	\$16.35
Yard Light – Mercury Vapor	57	175 W	\$10.98
<u>TYPE</u>	<u>KWH</u>	<u>SIZE</u>	<u>MONTHLY CHARGE</u>
High Pressure Sodium	48	100 W	\$18.62
High Pressure Sodium	66	150 W	\$23.24
High Pressure Sodium	103	250 W	\$32.47
High Pressure Sodium	157	400 W	\$36.86
*New installations for Mercury Vapor and High Pressure Sodium lights are not available. Existing services will be maintained with <i>existing</i> parts. Unit will be changed out if unable to repair. All new lights installed on the KEA system will be LED type.			

YARD AND STREET LIGHTS

RATE CODE 04

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<u>TYPE</u>	<u>KWH</u>	<u>SIZE</u>	<u>MONTHLY CHARGE</u>
Light Emitting Diode (LED)	16	150 W Equivalent	\$16.00
Light Emitting Diode (LED)	25	250 W Equivalent	\$18.00
Light Emitting Diode (LED)	45	400 W Equivalent	\$25.00

Special LED Light Rate

<u>TYPE</u>	<u>KWH</u>	<u>SIZE</u>	<u>MONTHLY CHARGE</u>
Light Emitting Diode (LED)	16	150 W Equivalent	\$12.00
Light Emitting Diode (LED)	25	250 W Equivalent	\$13.50
Light Emitting Diode (LED)	45	400 W Equivalent	\$17.00

This Special LED light rate is available to members that purchase the LED light from KEA. KEA will install and maintain the light. The only lights available for this rate are listed above.

The Special LED light rate is provided for energy efficiency and conservation incentive purposes and will remain in effect for the life of the light. No refunds or prorates on the cost of the LED light are available.

MINIMUM CHARGE

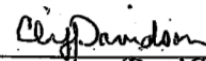
Three (3) years per LED light per schedule.

COST OF POWER ADJUSTMENT (COPA)


A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation's fuel component in an amount per kWh identified on the COPA Rate Schedule.

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:


(Board Chairman)

Attest:


(President/CEO)

RATE SCHEDULE
Kodiak Electric Association, Inc.

AVAILABILITY

Available to consumers capable of using energy upon a “when and if available” status.

TYPE OF SERVICE

Three-phase, 60 Hertz, at the Association’s standard voltages.

RATES

Customer Charge	\$50.00 per month
Energy Charges	All kWh @ 11.38 ¢ per kWh

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be one thousand dollars (\$1,000.00).

COST OF POWER ADJUSTMENT (COPA)

A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation’s fuel component in an amount per kWh identified on the COPA Rate Schedule.

GENERAL PROVISIONS

Service under this rate shall be at the option of the Association and may be interrupted in part or totally by the Association at any time. Control of this service shall rest solely with the Association.

The Association accepts no responsibility for any liability caused by interruption of service under this rate for any reason.

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:


(Board Chairman)

Attest:


(President/CEO)

RATE SCHEDULE***Kodiak Electric Association, Inc.*****APPLICABILITY**

The rates in all rate schedules for electric service shall be subject to adjustment by the applicable Cost of Power Adjustment (COPA) set forth in the determination of Cost of Power Adjustment Sheets as attached.

COST OF POWER ADJUSTMENT (COPA)

Billings to consumers will be increased to reflect the cost of fuel per kWh sold per the Cost of Power Adjustment Rate Calculation (attached).

FINANCIAL EMERGENCY ADJUSTMENT (FEA)

In the event of unforeseen service territory issues or renewable energy generation operational issues (that significantly reduce the level of hydroelectric or wind energy generation), a temporary adjustment per kWh sold will be added to the billings to consumers to recover the capital costs for the time the service territory issues persist, or the renewable plant is not generating. The FEA will be a temporary adjustment set by the Board of Directors to address unrecovered costs associated with unforeseen service territory issues or with renewable generation.

COST OF POWER BALANCE ACCOUNT

The Association shall maintain a Cost-of-Power Balance Account commencing January 1, 1987. The Cost of Power Balance Account will commence with a zero balance on January 1, 1987 with balances thereafter reflecting the sum of the debit and credit entries subscribed. The prescribed entries are as follows.


1. A debit entry equal to the consumed fuel costs for each proceeding month.
2. A credit entry equal to the total number of kWhs of energy sold during that month multiplied by the total weighted average cost of power per kWh as computed on the determination of Cost of Power Adjustment Sheets (attached).

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:


(Board Chairman)

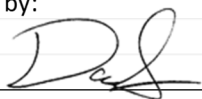
Attest:


(President/CEO)

COST OF POWER ADJUSTMENT

COPA

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KODIAK ELECTRIC ASSOCIATION, INC.				Sep-Dec 2012
<u>Determination of Cost of Power Adjustment</u>				
(1) Current Cost of Fuel and Other Power Requirements:				
Base Supply Contracts	Estimated Quantities	Estimated Cost	Total Cost	
a) Oil	110,920 Gal.	\$3.800 /Gal.	\$421,496.00	
b) Total			\$421,496.00	
(2) Balance Cost of Power Account*			(\$200,000.00)	
(3) Total of 1b and 2 above			\$221,496.00	
(4) Estimated kWh Sales *			45,532,709	
(5) Financial Emergency Adjustment (FEA)			\$0.000000	
(6) Cost of Power Adjustment in dollars/kWh	Lines (3 + 5) ÷ Line 4		\$0.004865	
	* For the month beginning September 1, 2012			
			Effective:	1-Sep-12
Issued by:	KODIAK ELECTRIC ASSOCIATION, INC.			
By: 		Title: President/CEO		
Darron Scott				

RATE SCHEDULE

Kodiak Electric Association, Inc.

AVAILABILITY

Available to members where a part or all of the member's electrical requirements can be supplied from a production source which meets the criteria for a qualifying facility ("QF") as defined under 3 AAC 50.750, *et seq.* This schedule is also available to members who self-generate their energy needs but is not available to members who generate only to provide their own standby/backup generation for personal use during Association outages.

Supplemental power will be supplied only in conjunction with standby power. Standby power and maintenance power will be provided only on a temporary basis and shall not exceed the total capability of consumer's own electric generating facilities. The consumer must state the extent to which such power shall be utilized for loads that would have been supplied by the company under an otherwise applicable rate(s). Each consumer served hereunder shall be required to enter into a written contract with the company incorporating the provisions of this rate schedule.

DEFINITIONS

- A. Standby Power "Standby Power" is electrical power supplied by KEA during an unscheduled power outage to replace energy ordinarily generated by the QF's or the consumer's own generation equipment. Standby power is provided on a temporary basis only.
- B. Supplemental Power "Supplemental Power" is energy or capacity supplied by the Association external to the bus bar of the QF's or the consumer's generating facilities, regularly used by the consumer in addition to that which the consumer generates itself. Supplemental power is offered only in conjunction with standby power.
- C. Scheduled Maintenance Power "Scheduled Maintenance Power" is provided on a temporary basis to meet the QF's or the consumer's needs during periods of scheduled equipment down time for maintenance of the QF's or the consumer's own electric generating facility; however, the total number of days containing peak periods for which scheduled maintenance power will be allowed for each generating unit comprising the QF's or the consumer's own electric generating facilities shall not exceed 60 days each year. Scheduled maintenance power will be provided for levels not to exceed the level of contractual demand.

Annually, prior to December 31, the QF or the consumer shall provide the company in writing its preliminary schedule of maintenance power during the coming year. The

consumer shall submit written notice to the Association at least 45 days prior to the date it intends to take scheduled maintenance power. The QF or the consumer may not be billed under scheduled maintenance for more than six periods each year and must be scheduled with the Association's approval during specified months and times and/or for such other periods as may be acceptable to the Association. The QF or the consumer shall be billed at the otherwise applicable rate schedule for that billing period. Scheduled periods of maintenance power may be changed upon mutual agreement by the QF or the consumer and the Association in advance of the schedule.

- D. Contractual Demand "Contractual Demand" is the mutually agreed upon KW demand capacity identified in the service contract. Whenever the actual demand capacity exceeds the contractual demand, including nameplate capacity, the contractual demand capacity shall be immediately changed, without notice or other action, to the new level of such highest maximum demand and shall be the new contractual demand for the term of the service contract.
- E. Excess Contractual Demand "Excess Contractual Demand" is all power taken in excess of the contractual demand. Excess contractual demand shall be billed as incurred per billing period at the standby demand charge times 12.

III. CHARGES

- A. Monthly Customer Charge Shall be the customer charge under the otherwise applicable rate schedule.
- B. Demand Charge For standby power, the standby demand charge shall be \$20.00 per KW of contractual demand.

For scheduled maintenance power, the demand charge shall be the demand charge under the otherwise applicable rate schedule.

- C. Energy Charge For standby and supplemental power, the applicable energy charge shall be the end block charge under the otherwise applicable rate schedule.

For scheduled maintenance power, the applicable energy charge shall be the energy charge under the otherwise applicable rate schedule.

- D. Excess Contractual Demand Charge Shall be billed at the total excess contractual demand incurred per billing period at the standby demand charge times 12.

IV. MISCELLANEOUS RATE SCHEDULE PROVISIONS

A. Interconnection Service and Metering Facilities

1. The Association may assess a QF or consumer a reasonable interconnection charge, including connection costs, switching, metering, transmission, distribution, safety provisions, administration, and other costs directly incurred as a result of the interconnection. The charge will cover those costs that are in excess of the normal and customary costs incurred by the Association in providing similar service to similar customer loads not engaged in interconnected operations.

2. Payment of Charges

- a. Installation Charge

- (1) The QF or consumer must pay as an advance-in-aid-of-construction one-half (1/2) the total estimated cost of interconnection prior to commencement of construction. This cost shall be adjusted to actual cost after job completion. Upon completion of construction, the QF or consumer shall have the option of:

- (A) Paying all remaining interconnection costs in full.

- (B) If the estimated costs of inter connecting the QF or the consumer to the Association's system is five thousand dollars (\$5,000) or less, the QF must pay the remaining amount in six (6) consecutive equal monthly payments.

- (C) If the estimated costs of interconnecting the QF or the consumer to the Association's system is greater than five thousand dollars (\$5,000), the QF must pay the remaining amount in twenty-four (24) consecutive monthly payments.

- (2) Interest on the unpaid balance shall be charged at the legal rate of interest as set by AS 45.45.10.

- b. Maintenance Charges

The QF or the consumer may be required to pay the Association monthly maintenance charges as may be incurred by the Association as a result of the interconnection, to the extent that these costs are in excess of the corresponding costs which the

Association would have incurred if it had not engaged in interconnection operations. These charges will be appropriate to the type, size, and location of the facility installed and will be consistent with standard utility practices.

3. Notwithstanding (1) and (2) above, the Association's line extension will apply with the exception of Section 7.1. For purposes of standby power provided under this schedule, the following shall apply:

The Association shall furnish and construct, at the QF's or the consumer's expense, such facilities and service connections as necessary to render service upon written application of the member for electrical service to permanent structures where the extension will not exceed the equivalent cost of one (1) span of primary, one (1) pole, one (1) down guy, transformer, and service drop plus five (5) times the estimated annual gross revenue. Under no circumstances shall the costs of facilities exceed the value of the permanent structures to receive service.

The prepaid expense shall be reimbursed to the QF or the consumer at a rate of $1/60^{\text{th}}$ per month as a credit on the monthly bill for a period not to exceed 60 months. Should the QF or the consumer terminate its contract prior to the expiration of 60 months, the QF or the consumer forfeits any remaining credits.

Members may design and construct their own line extension subject to Section 7.2.

4. The QF or the consumer shall install, or if installed by the Association, shall pay for any equipment that may be reasonably required by the Association for reasons of safety or to prevent interference with service to other Association consumers. The equipment to be installed by the consumer shall include, but shall not be limited to, a disconnect device to which the Association has access and which can lock in an open position to disconnect, for safety reasons, the QF's or the consumer's generator from the Association's system.

B. Parallel Operation

The QF or the consumer may operate its own power production equipment in parallel with the Association's service upon the execution of a parallel operation agreement prior to interconnection. If the QF or the consumer's own electric generating facilities are operated in parallel with the Association's facilities, the Association will install, at the QF's or the consumer's sole expense, appropriate metering to measure the flow of energy, if any, from the QF's or the consumer's

facilities into the Association's system under applicable rate provisions. Further, the Association shall install at the QF's or the consumer's sole expense any equipment and communication facilities determined by the Association to be necessary for the integration of data and operation of the QF's or the consumer's production facilities with the Association's SCADA and production facilities. For QFs of 100 kW or less desiring to operate in parallel with the Association, the provisions of 14.3 (e) shall apply.

C. Maintenance of Facilities

1. It shall be the responsibility of the QF or the consumer to maintain the facilities in compliance with safety and reliability standards.
2. Failure to maintain facilities can result in disconnection.

D. Insurance and Indemnification

The QF or consumer shall be insured to the satisfaction of the Association. The QF or consumer shall upon request submit to the Association evidence of insurance naming the Association as an additional named insured. Insurance requirements will be appropriate to the type, size, location, and risk of the facility installed and will be consistent with standard utility practice.

Because of the unique nature of the services offered under this schedule, in addition to the terms and conditions of Section 12, Liability, a QF or a consumer taking service hereunder shall indemnify, defend, and hold harmless the Association and its other consumers against any loss or liability associated with or arising from or created by the interconnection or operation, parallel or otherwise, of the QF's or the consumer's electric generating equipment and against any and all loss resulting from demand established by the QF or the consumer in excess of either the contractual demand or capacity of the Association's facilities installed hereunder.

E. Conditions of Disconnect

1. The Association may disconnect a QF or consumer without notice if a hazardous condition exists in the equipment of the QF or consumer and immediate action is necessary to protect persons, Association facilities, or other customer's facilities from damage or interference imminently likely to result from the hazardous condition.
2. Within ten (10) days after disconnection, the Association will notify the QF Or consumer in writing of the reasons for disconnection.

F. Term of Service Contract

For consumers first receiving service hereunder, the initial term of the service contract shall be 60 months. The Association shall provide written notification of expiration of the service contract at least 60 days prior to expiration. Upon expiration of the initial service contract or any renewal of the service contract hereunder, the consumer's service contract shall be automatically extended for successive 12-month terms. Until renegotiated, the contractual demand shall carry forward for each successive 12-month term.

A new service contract, with an initial term of 60 months, shall be required whenever the Association is called upon to provide additional or different facilities to serve a demand greater than that specified in the consumer's then-effective service contract, and the term of such new service contract shall commence at the beginning of the next month following the date when the facilities installed to serve the increased demand become available for service. Notwithstanding, after receiving service under the new service contract for 12 months, the Association may, upon proof that the QF or consumer has taken appropriate measures to control the amount of energy the QF or consumer may receive, e.g., install circuit breakers, agree to a new contractual demand for the remainder of the term of the new service contract.

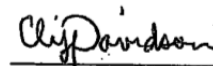
A consumer electing service under this rate may terminate such service at any time but cannot again commence service hereunder for a period of at least 12 months following termination.

COST OF POWER ADJUSTMENT (COPA)


A surcharge or credit may be applied to each billing for service rendered under this Schedule to reflect the cost effects of using diesel generation's fuel component in an amount per kWh identified on the COPA Rate Schedule.

Effective Date: October 11, 1996
Date Adopted: October 28, 2004
Revised: March 23, 2023

Signed:


(Board Chairman)

Attest:


(President/CEO)

KODIAK ELECTRIC ASSOCIATION, INC.		Sept-Dec 2012
RATE SCHEDULE FOR PURCHASE OF NON-FIRM POWER FROM QUALIFIED FACILITIES (QF) WITH A DESIGN CAPACITY OF 100 KW OR LESS AND NET METERING		
<p>The rate reflected below is based on the cost of energy which Kodiak Electric Association, Inc. (KEA) will avoid by virtue of interconnection. KEA's avoided costs are calculated using the formula set out on page 80.</p> <p>KEA will recalculate the avoided costs each time it updates its cost of power adjustment.</p> <p style="text-align: center;">NON-FIRM POWER PURCHASE RATE IN DOLLARS/kWh</p> <p>Effective for Service After: <u>September 1, 2012</u> \$ <u>0.1845</u></p>		
		Effective <u>1-Sep-12</u>
Issued by: KODIAK ELECTRIC ASSOCIATION, INC.		
By:	<u>Darron Scott</u>	Title: <u>President/CEO</u>

NON-FIRM POWER PURCHASE RATE

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KODIAK ELECTRIC ASSOCIATION, INC.		Sept-Dec 2012
A. A determination of avoided energy cost rate for purchase of non-firm power from qualified facilities with design capacity of 100 kW or less and net-metering beginning September 1, 2012.		
1.	System Load Requirements (kWhs)	<u>47,354,017</u>
2.	Hydro Generation (kWhs)	<u>39,770,000</u>
3.	Wind Generation (kWhs)	<u>5,300,000</u>
4.	Balance of Load Requirements (kWhs) (1)-(2+3)	<u>2,284,017</u>
5.	Total of Diesel generation (kWhs) two hours/day or less and emergency generation	<u>720,000</u>
6.	Balance of Load Requirements (kWhs) (4)-(5)	<u>1,564,017</u>
7.	If (6) < or equal to 0 end calculation, enter 0.0000 in Line 13	
8.	If (6) > 0 continue calculations	
9.	Diesel fuel consumed in gallons for period	<u>110,920</u>
10.	Effective rate in dollars/gallon for diesel fuel consumed	<u>3.800</u>
11.	Total diesel fuel cost in dollars (9) X (10)	<u>421,496.00</u>
12.	Diesel Generation kWhs from (4)	<u>2,284,017</u>
13.	Avoided Energy cost in dollars/kWh (11)/(12)	<u>0.1845</u>
		Effective: <u>1-Sep-12</u>
Issued by: <u>KODIAK ELECTRIC ASSOCIATION, INC.</u>		
By:	<u>Darron Scott</u>	Title: <u>President/CEO</u>