

POLK-BURNETT ELECTRIC COOPERATIVE

Policy No.: **M-8**

Subject: **Billing**

Objective: When service is available to the member, the applicable daily availability charge shall be due from the beginning of the electric service activation (connect date), as established by the cooperative, whether or not the service is utilized by the member.

- Policy:
1. ***Billing Periods*** - Each monthly billing period shall consist of an approximately thirty-day period during which service was rendered or available.
 2. ***Billing*** - Meter readings are received daily by an automated meter reading (AMR) system. Statements based on this reading will be rendered once per month, the date of which depends upon the billing cycle the member is on. Payment of that statement becomes delinquent if payment is not received on or before the due date of the bill.

Bills will be estimated should there appear to be an incorrect reading of the meter, faulty metering, or no meter reading data received. Failure to receive a bill does not exempt a member from monthly payments, late charges or disconnection.

Bills for special, or short-term service including any costs of connecting and disconnecting, may be rendered at any time at the discretion of the cooperative, and shall be payable on demand.

3. ***Minimum Charges*** - Every account shall be subject to a monthly or annual minimum charge as stated in the applicable rate schedule or special contract for service. When the landowner requests that idle services be retained and maintained by the cooperative, the landowner shall be charged the applicable charge per *Policy M-34 – Non-Metered (Idle) Services*, if the cooperative agrees to keep the service.

Discontinuance of the use of energy prior to the expiration of a contract will not relieve the member from any minimum or guaranteed payment under such contract.

4. ***Billing Changes*** - Where members are found to be on an improper schedule as the result of an investigation at the member's request or by routine inspection, the change of billing to the proper schedule will apply to the bill for the month in which the error was found and previously rendered bills will be adjusted, as outlined in *Policy M-9 - Billing Adjustments*.
5. ***Prorated Bills*** - On opening and closing monthly accounts for service supplied for a fractional billing period under all schedules, the daily availability charge is calculated based on the start/stop date of service. In the event meter readings are not available to bill energy use, a prorating calculation for the kWh energy use will be used in situations where a member is only responsible for a partial month.

Policy M-8 – Billing (continued):

6. ***Annual Minimums*** - Such annual minimums are necessary to protect the cooperative's investment in facilities where the plant must be maintained year round but revenue is restricted to less than a 12-month period. The annual minimums will be assessed in two categories:

- a. Where a minimum annual payment is stipulated in contract.
- b. Where disconnection is requested as part of a pattern of "interrupted" service.

Examples:

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- a. Short-term electric service, irrigation service, or others involving individual contracts.
- b. A member requesting disconnection in the fall to be followed by reconnection next spring.

Edward O. Gullickson, President
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