

**ORCAS POWER AND LIGHT COOPERATIVE
MEMBER SERVICE POLICY 7
BILLING AND COLLECTION**

MEMBER SERVICE POLICY 7 - BILLING AND COLLECTION

7.1 RATES

Electric energy shall not be sold at prices other than those stated in the rate schedules (tariffs).

7.2 RENDITION OF BILL

Bills shall be deemed rendered, and other notices duly given, when delivered to the member personally or when mailed to them at the address supplied, or at the last known address of the member or when left at either of such places or delivered to the e-mail address supplied by the member via an email notice of billing availability (which includes total monthly billed amount and associated due date) or uploaded on the online security portal (currently called SmartHub). To protect members' personal information, a digital copy of the monthly bill will not be sent by electronic means to the member on a routine basis. Failure to receive such bills or notices from OPALCO will not entitle the member to any delay in the settlement of each month's account, and any late payments will be subject to penalties.

7.3 PAYMENT OF BILL

Payments are due by midnight Pacific time on the date specified on the bill.

Payments may be made by a member either in-person at an OPALCO office, by telephone utilizing the on-line payment platforms offered by the Cooperative, via the US Postal System or by other electronic means. Payment methods are subject to change based on prudent use of member resources and cybersecurity protocols.

The following forms of payments are considered an acceptable form of payment:

- Automatic payment system (currently Autopay)
- Online account management system (currently SmartHub)
- Over-the-phone payment system (currently SecurePay)
- Mail payments with check
- Office payments with cash, check, credit card

Payments are processed upon receipt and OPALCO does not hold payment instruments, such as a check, that are post-dated. Payment not honored for any reason by a financial institution will be subject to fees as outlined in Tariffs.

Any bill not paid within thirty days of the billing date specified on the bill will be considered delinquent. Any account with a delinquent bill exceeding fifty dollars (\$50.00) will be considered delinquent and will be subject to disconnection.

7.3.1 Payment Agreement Plan

OPALCO shall offer a deferred payment plan for active accounts. The extension of time to pay the bill shall not be offered more than twice in a six-month period. The extension will not normally exceed 30 days but under hardship, cases may be for a period not to exceed 90 days.

7.3.2 Life Support Equipment

OPALCO will not normally disconnect members when it has been notified that the member is using life support equipment without contacting both the member and the appropriate social service agency. OPALCO will make every effort to work out an acceptable time payment plan that will enable uninterrupted electric service. If the member has notified OPALCO of the use of life support equipment, OPALCO will attempt to contact any member using life support equipment prior to any scheduled service interruption.

7.3.3 Fixed or Levelized Billing

OPALCO offers fixed or levelized billing to its residential and commercial members. *Fixed billing allows the member to set a specific amount to pay each and every month. Levelized billing continually looks at the last twelve (12) months and calculates the average monthly payment each month.* To qualify for this type of billing, the member must have established membership for a minimum of one (1) year and have a good credit rating with OPALCO.

7.3.3.1 OPALCO reserves the right to adjust the budget or average amount as necessary.

7.3.3.2 The member may elect to stop budget billing at any time. Such election will be effective with the next bill. If OPALCO owes the member any money upon termination of budget billing, the amount will be credited to the member's bill. Amounts owed by OPALCO above \$50.00 will be refunded upon the member's request.

If the member owes OPALCO less than \$100.00, this amount will be added to the next billing and become due and payable. If the amount is over \$100.00, the member may make equal monthly payments for a period not to exceed twelve (12) months.

7.4 PENALTY

OPALCO will charge a late penalty, as specified in Schedule of Deposits and Charges, for any account where payment is not received by-midnight Pacific time due date specified on the bill.

7.5 DISCONNECT PROCEDURE

7.5.1 In addition to immediate disconnection in accordance with Member Service Policy 3.5, a member may be disconnected with proper notice, for any of the following reasons:

7.5.1.1 Failure to pay bills or other amounts due OPALCO in a timely manner.

7.5.1.2 Failure to meet or maintain an adequate deposit.

7.5.1.3 Knowledge of and continued failure to provide access to the electric meter or other OPALCO owned equipment.

7.5.1.4 Breach of special contract or agreement with OPALCO, including a line extension agreement, failure to meet payment agreement plan, or failure to meet deposit payment agreement.

7.5.1.5 Failure to comply with the order of governmental agencies having jurisdiction in the matter.

7.5.1.6 Failure to comply with the conditions and terms of membership.

7.5.2 Disconnect Notice

A disconnect notice shall be sent by mail to those members whose electric service is in jeopardy of disconnection. Such notice shall be sent out not less than 48 hours, nor more than fourteen working days, prior to the date of disconnection, and shall contain, at the minimum, the following information:

7.5.2.1 The name and address of the member to be disconnected.

7.5.2.2 The account number for which service will be disconnected.

7.5.2.3 A statement of the reason for disconnection.

7.5.2.4 The date on or after which disconnection will take place.

7.5.2.5 If non-payment is the reason for disconnection the notices shall also include the amount that must be paid to prevent service disconnection.

- 7.5.2.6 A request to notify OPALCO if a person occupies the residence is seriously ill, handicapped, or dependent on life support systems.
 - 7.5.2.7 An explanation of additional charges for reconnection of service after disconnection.
 - 7.5.3 Disconnect Notice Not Required
A disconnect notice is not required in the following instances:
 - 7.5.3.1 A member's check, used to pay for a disconnect notice, is returned for non-sufficient funds.
 - 7.5.3.2 Failure to honor payment agreement plan(s).
 - 7.5.4 Telephone Contact
OPALCO shall attempt to contact members scheduled for disconnection by telephone within three working days of the scheduled disconnection. Failure to contact the member by telephone will not delay the disconnection. OPALCO will not be required to contact chronic late payers who receive more than three disconnect notices in a twelve (12) month period.
 - 7.5.5 Day of Disconnect
No disconnects will be completed on a Friday, or a day before a holiday during which OPALCO offices will be closed, or before 10:00 a.m. on a day following a weekend or holiday during which OPALCO offices are closed. The disconnection may occur up to ten days after the date specified in the disconnect notice. If disconnection is not accomplished within this ten-day period, another disconnect notice must be given.
 - 7.5.6 Charges to Be Paid
Where a member's service is discontinued for non-payment of bills, OPALCO reserves the right to refuse to furnish service to said member at the same or any other location until all charges, including the reconnection charge and other monies due OPALCO, have been paid. Pursuant to Member Service Policy 4.7.5, a person who has been disconnected for non-payment of a bill may not receive benefit of service by having the account transferred into another if there has been no change in the occupancy in the location.
 - 7.5.7 Reconnection Charge
OPALCO may make a charge for the reconnection of service where it has become necessary to disconnect service for the non-payment of bills. The charge for this service shall be as provided in the Schedule of Deposits and Charges in the OPALCO Tariff Book.
 - 7.5.8 Right to Require Deposit
OPALCO may require a member to pay a deposit or adjust the amount of a deposit after disconnection for non-payment. OPALCO may not require this deposit to be paid as a condition for reconnection of service. The member may pay the deposit in up to three equal monthly installments.
- 7.6 COLLECTION PROCEDURES**
The member shall pay OPALCO's cost of collection, including legal fees:
- 7.6.1 When a member's account becomes slow or no pay, OPALCO's member services staff will begin an in-house collection process. This will include telephone calls to the member, a disconnect notice, and actual disconnect of the service when the member does not meet the agreed-on payment arrangements or is non-responsive to OPALCO's efforts.
 - 7.6.2 When a member's account is closed with a balance due, OPALCO will make every effort to contact the member by telephone. If this is not successful, OPALCO will send a standard letter stating, "we are sending your account to collections if we do not hear

from you by a specified date within two weeks". If the member does not contact OPALCO within two weeks after the collection letter is sent, and the member is still residing in San Juan County, and the account balance is substantial enough to warrant the expense, OPALCO will initiate the small claims process. If OPALCO's correspondence to the member is being returned, OPALCO will utilize one of the credit reporting agency's skip tracing services to further our internal collection efforts.

7.6.3 After every effort is made to effect collection of the amount due internally, OPALCO will calculate the discount on available capital credits and, with Board approval, apply that amount to the bad debt. Any remaining balance on the account will be sent to the collection agency immediately. If there are any remaining capital credits for later years, they will be disbursed under OPALCO's normal retirement cycle.

7.6.4 After every effort is made to effect collection of the account internally, and there are no available capital credits to discount, the account will be submitted to the collection agency immediately.

7.7 BILLING PERIOD

7.7.1 Billing Month

Each meter is read on approximately the same date each month and bills are rendered accordingly. An actual billing period may vary.

7.7.2 Partial Month

When service is initiated or discontinued during a month, the facilities' or minimum charge will be prorated on a thirty (30) day month. Demand charges shall not be prorated.

7.8 ESTIMATED BILL

If OPALCO is unable to read a meter OPALCO shall estimate the meter reading and bill the member accordingly. Estimates will be based on records of previous usage, and length of billing period.

7.9 ADJUSTMENT OF ERRORS

7.9.1 Period to Be Adjusted

7.9.1.1 Meter Malfunction

If, for any reason, an electric meter fails to properly record the amount of usage or demand, OPALCO will estimate the bill based on the information available to OPALCO. In this case, OPALCO will correct the billing error for a period not to exceed five billing periods, not counting the billing period in which the error was found or recorded. OPALCO will waive any retroactive charges if the member served by the meter reports the problem within five billing periods.

7.9.1.2 Billing Error

In case OPALCO shall, for any reason, incorrectly bill a member, upon discovery, OPALCO will correct such billing error for a period not to exceed five billing periods, not counting the billing period in which the error was found or reported.

7.9.1.3 Fraud, Meter Tampering, or Damage to OPALCO Property

If the member's meter is damaged, tampered with, or for any other reason other than a meter malfunction, fails to record the proper amount of energy or demand used by that member, OPALCO will calculate or estimate the consumption based on the information available to OPALCO. In this case, the period to be corrected will be the period in which the damage, fraud, or theft occurred. The account may also be subject to a fee for unauthorized breakage of a meter seal,

as specified in the Schedule of Deposits and Charges in the OPALCO Tariff Book.

7. 9.2 Estimated Consumption

If for any reason the actual amount of usage or demand cannot be determined, OPALCO will calculate or estimate the consumption based on the information available to OPALCO.

7. 9.3 Time to Pay

7.9.3.1 When there has been an adjustment to the account, if the member has overpaid, OPALCO shall apply the amount of the overpayment to the member's account or refund it to the member if the member requests it.

7.9.3.2 When there has been an adjustment to the account, if the member has underpaid, the member shall be given the opportunity to pay for the error over a period of time, without penalty. Payment agreement plans can be made pursuant to Section 7.3.1.

7.10 CHANGE OF OCCUPANCY OR ACCOUNT RESPONSIBILITY

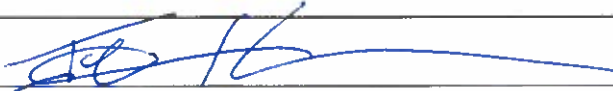
Bills are rendered in the name of the person shown in OPALCO's records as the party responsible for electric consumption at the specified location. Any change of occupancy or ownership at a specified location must be reported to OPALCO.

7.11 CHANGE OF RATE CLASS

OPALCO shall inform each member when they apply for service of alternative rate schedules available to that member. OPALCO will not be responsible for changes occasioned by changes in the member's premises. Should the member be eligible for a rate class that would result in lower rates but fails to make OPALCO aware of the situation, the adjustment will not be retroactive.

7.12 SECOND PARTY BILLS

OPALCO will mail a copy of all bills and final notices to an additional name and/or address if requested by the member of record. Either party may make payments on the account; however, the financial responsibility for the account remains with the person whose name appears on the account as the member of record.

 _____ Foster Hildreth, General Manager	Effective Date: <u>June 20, 2024</u>
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