

CHERRYLAND ELECTRIC COOPERATIVE

Member Regulated Billing Rules

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****Cherryland Electric Cooperative (the “Cooperative”) is a member regulated utility under Public Act 167, The Electric Cooperative Member-Regulation Act of 2008. Its billing rules are not defined by the Michigan Public Service Commission.****

REQUEST FOR SERVICE

- (1) Applicants must request service in person at our Grawn office, in writing, by telephone, or over the internet.
- (2) Applicants must provide acceptable personal identification as determined by the Cooperative. Services established are to be in the legal name of the property owner, occupant and/or estate. Applicant must be over 18 years of age or an emancipated minor.
- (3) When requesting utility services, applicants will need to provide information such as name, business name, social security number, federal tax identification number, date of birth, spouse or roommate's name, and service address. The Cooperative may also require valid identification, valid notarized lease agreement, and utility statements from previous locations. The Cooperative may require other forms of verifying information as deemed necessary, at the sole discretion of the Cooperative.
- (4) A security deposit and connection fee may be required.
- (5) As a condition of providing or continuing service, the Cooperative will require payment of any delinquent accounts accrued by the applicant in the past. If delinquent accounts are not paid, service will be denied or disconnected.
- (6) Once an applicant becomes a member (as that term is defined in the Cooperative's Bylaws and hereinafter referred to as “Member”) of the Cooperative, it is the Member's responsibility to notify the Cooperative of any updates to personal information, including but not limited to: primary contact phone number, mailing address and email address.

DEPOSITS

- (1) **New Member:** The Cooperative may require a deposit as a condition for providing service. The amount of the deposit will be determined based on the results of a utility credit check. The maximum new member residential deposit charged shall not exceed \$375.00. If the applicant refuses to provide their social security number, the maximum security deposit will be required.
- (2) **Previous or Existing Member:** The Cooperative may also require a deposit from a previous or existing Member for continued service in the case of a balance transfer, meter tampering, bankruptcy, or other activities or misrepresentations that have caused the Cooperative a loss of revenue or are otherwise deemed harmful to the Cooperative. Meter tampering deposits will be four (4) times the location average. All other situations in this section will require a deposit of two (2) times the location average.
- (3) The Cooperative shall return a deposit to the Member's account upon satisfactory payment

history by the Member (twelve (12) months with no penalties) following full payment of the deposit. The Cooperative may, however, retain the deposit beyond twelve (12) months in cases where unauthorized use or abuse of the utility service existed.

(4) When an existing Member moves from one location to another that is served by the Cooperative, and the twelve (12) month satisfactory payment history has not been met, the security deposit will be transferred to the new account.

(5) Members terminating service will receive the security deposit as a credit toward their final bill if it has not been returned previously. If that results in a credit, the Cooperative will mail the Member a check for the credit balance.

(6) Security deposits paid by third party agencies may be refunded to Members.

METERING

(1) Meters recording usage inaccurately as determined by the Cooperative shall be repaired or replaced by the Cooperative at no expense to the Member.

(2) Overcharges and undercharges due to electric metering errors shall be reconciled based on actual usage data, when available, or estimated based on historical usage data, when actual usage data does not exist.

(3) A member can request to have an independent third party test the electric meter servicing their premises. Meter testing would need to be obtained by the Member and agreed to by the Cooperative. In the case where the meter tests accurate, as defined by Michigan Public Service Commission guidelines, the member shall be charged the full cost of the meter test. When a meter tests inaccurate, as defined by Michigan Public Service Commission guidelines, the Cooperative shall pay the full cost of the meter test.

(4) The Cooperative must always have access to the whole meter base. A field service charge may be applied to a Member's account if multiple trips are made to the location to gain access to the meter base.

BILLING AND PAYMENT STANDARDS

(1) The Cooperative shall permit each Member an average period of twenty-one (21) days, but not fewer than eighteen (18) days, from the date the bill was sent, in which to pay that bill in full.

(2) The Cooperative shall not withdraw funds from a Member's bank account before the due date in cases where a Member uses an automatic bill payment plan.

(3) The Cooperative will assess a late payment charge as defined in its rate tariffs.

(4) The Cooperative reserves the right to transfer any unpaid balance(s) from a separate metering point, residence, and/or location, accrued previously by a Member, to an address served by the Cooperative at which the Member currently receives electric service.

(5) All occupants residing at a service location are responsible for electric services rendered at

that location. If the Member of record vacates the location, the service and any unpaid balance will be transferred to the remaining occupant(s).

(6) If the Cooperative overcharges a Member due to a billing or metering error, the Cooperative shall refund or credit the amount of the overcharge. The Cooperative is not required to adjust, refund, or credit an overcharge for more than the eighteen (18) months immediately preceding discovery of the error.

(7) If the Cooperative undercharges a member, the following provisions apply:

- a) In cases that involve meter tampering or fraud, the utility may back-bill the member for the amount of the undercharge. Additional charges that may apply include equipment damages, deposits, field service charges, reconnect fees, and any additional extraordinary expenses incurred by the Cooperative. The Cooperative may require an inspection prior to reconnection of the service and reserves the right to prosecute in cases of meter tampering.
- b) In cases that do not involve meter tampering or fraud, the Cooperative may back bill the Member for the amount of the undercharge during the eighteen (18) month period immediately preceding discovery of the error. The Cooperative shall offer the Member reasonable payment arrangements for the amount of the back bill, taking into account the period and amount of the undercharge.

PAYMENT METHODS

The Cooperative offers a variety of payment options including in person, on-line, the Cooperative's Smarthub app, an automated phone system and the 24/7 kiosk at the Grawn office drive-through. For more details visit our website at www.cherrylandelectric.coop or contact our office at (231) 486-9200. The Cooperative does not charge processing fees for any payment method.

PAYMENT ARRANGEMENTS

A payment arrangement is a documented agreement entered into by a Member and the Cooperative to pay delinquent amounts owed over a reasonable period of time.

(1) The Cooperative and a Member may enter into a payment arrangement when the Member claims the inability to pay an outstanding bill in full.

(2) Failure to keep a payment arrangement may result in disconnection of service without additional notice.

(3) Failure to keep a payment arrangement may prevent the Cooperative from entering into future payment arrangements with the Member.

BILLING DISPUTE PROCEDURE

For billing disputes that cannot be resolved between a Member and the Member Services Department, the Member has the right to participate in the Cooperative's formal billing dispute resolution process. However, electing to participate in the billing dispute resolution process may not prevent a pending disconnect for non-payment of a past due bill.

The process for responding to a disputed bill is as follows:

- (1) A representative of the Member Services Department:
 - a) will investigate the billing dispute as soon as it comes to the attention of the department
 - b) will attempt to resolve the dispute in a manner satisfactory to all parties
 - c) will advise the Member of their findings.
- (2) If a satisfactory agreement is not reached, the Member has the right to request a review by the appropriate Department Supervisor.
- (3) If a satisfactory agreement is still not reached, the Member may appeal, in writing, their reason(s) for disputing the billing. This appeal must be received by the Cooperative within three (3) business days of being notified of the Department Supervisor's findings. The appeal will be submitted to the Cooperative's Dispute Committee.
- (4) The Department Supervisor will also submit to the Dispute Committee, in writing, their reason(s) for rejecting the Member's claim.
- (5) The Dispute Committee will be made up of at least four (4) Cooperative employees not previously involved in the dispute, who are appointed by the CEO. It will include at least one (1) supervisor and one (1) manager. The Committee will thoroughly review the information provided by both parties.
- (6) The Dispute Committee will notify the Member of its final decision, in writing, within five working days of receiving the Member's formal dispute filing. This decision shall be binding for the Member and the Cooperative concerning the disputed bill(s) in question.

PROCEDURES FOR SHUTOFF AND RESTORATION OF SERVICE

- (1) The Cooperative is permitted to shut off or terminate service to a Member for any of the following reasons:
 - a) The Member has not paid a delinquent account.
 - b) The Member has had a payment returned for insufficient funds, or invalid, closed or frozen account that was used to prevent disconnection or to reconnect an account that was disconnected for non-payment.
 - c) The Member has engaged in unauthorized use of the Cooperative's service.
 - d) The Member has failed to comply with the terms and conditions of a payment arrangement.
 - e) The Member has partially or completely enclosed their meter(s) and/or meter base(s).
 - f) Cooperative personnel are unable to safely and freely access electrical facilities for the purpose of inspection, meter reading, maintenance, replacement of equipment that is installed upon the premises, or for the removal of a meter.

- g) The Member misrepresented his or her identity for the purpose of obtaining electric service.
- h) The Member has violated a rule of the Cooperative that will adversely affect the safety of the Member, other persons or the integrity of the utility system.
- i) The Member has engaged in "name switching". Name switching is not allowed and will not prevent shutoff.
 - The Cooperative reserves the right to transfer any unpaid balances accrued by a Member at a different location to the location at which that person is currently taking service, regardless of whether or not that person is currently the Member of record. In such situations, the person's name will be added to the account as an active Member.
 - When a person requests that a residential electric account be placed in his or her name, and that person has resided at the location and received the benefit of the utility services, that person will be held accountable for any outstanding amount due as a condition of continued electric service.
 - The Cooperative does not allow an individual to take over service at a location in order for the current member of record to avoid paying the balance owed on an account.

(2) The Cooperative shall send a notice to the Member by first-class mail or electronic transmission no fewer than ten (10) days before the date of the proposed shutoff. This notice shall be sent to the account name address and/or email address of record. The Cooperative shall maintain a record of the date the notice was sent. The Member is responsible for notifying the Cooperative of their current contact information.

(3) The Cooperative may shut off service to a Member on the date specified in the notice of shutoff or at a reasonable time following that date. Shutoffs shall generally occur during normal Cooperative business hours.

(4) For an involuntary shutoff, at least one (1) day before shutoff of service, the Cooperative shall have made no fewer than two (2) attempts to contact the Member by one or more of the following methods: telephone, first class mail, electronic transmission, or in-person. If the Cooperative uses an automated notification system, it shall document the process.

(5) The Cooperative may disconnect service in-person at the service location, or remotely from the office.

(6) The Cooperative may charge a fee for restoration of service.

(7) If a service has been disconnected for more than twelve (12) months, an electrical inspection by the authority having jurisdiction (typically the county in which the service is located) will be required prior to reconnection. The Cooperative may also require a representative from the Cooperative to complete an inspection.

(8) If a service has been disconnected for less than twelve (12) months, and is being reconnected in the same name, the Cooperative will back-bill the availability charges from the date of disconnection. The same is true in cases of name switching.

LANDLORDS

- (1) It is the responsibility of the property owner to notify the Cooperative that they wish to be listed as Landlord for a service location.
- (2) The Cooperative reserves the right to notify the Landlord if a service is scheduled for disconnection for any reason.
- (3) There are 2 options available for Landlords of record when a tenant notifies the Cooperative that they are moving out of the location. These options must be set up in advance:
 - a) Code 1: The Cooperative will automatically transfer the service location back to the Landlord.
 - b) Code 2: The Cooperative will place a notice at the location. If no one has notified the Cooperative within 24-48 hours that they want to be responsible for the service, that service will be disconnected. To restore the service, a connection fee will apply.
- (4) If a Landlord is renting to someone who has an unpaid balance with the Cooperative, the balance must be paid to continue or reconnect service at the rental location, regardless of whose name the account is in. The Cooperative reserves the right to disconnect the service if the unpaid balance is not paid.

ENERGY ASSISTANCE AND SHUTOFF PROTECTION PROGRAMS

The Member assumes responsibility to inform the Cooperative if they qualify for one or more of the following programs:

- (1) *Medical emergency.* If a medical emergency exists, disconnection can be delayed for twenty-one (21) days. It is the Member's responsibility to notify the Cooperative if they or a member of their household is in a critical care situation or has a life-threatening medical emergency. The Cooperative shall postpone the shutoff of service for twenty-one (21) days if a doctor's note is provided that identifies the medical condition, any medical or life supporting equipment being used, the person receiving medical care and the service address where electricity is required to run the medical equipment. Postponement may be extended if another doctor's note is submitted to the Cooperative. Medical emergency postponements shall not exceed three (3) times within a calendar year.
- (2) *Military protection.* Eligible members are defined as full-time active duty deployed overseas in response to a declared war or undeclared hostilities or is deployed within the United States in response to a declared national or state emergency. The Cooperative shall not shutoff service to an eligible Member for a period of ninety (90) days. The Cooperative shall provide shutoff protection for at least one (1) additional ninety (90) day period if the Member meets all the conditions of eligibility and requests an extension. After the close of the last ninety (90) day period, the Cooperative shall require the Member to pay any past due amounts in equal monthly payments over a period of up to twelve (12) months.
- (3) *Winter Protection.* This program is for low-income individuals and senior citizens and is available to qualifying members during the heating season (November 1 – March 31). Participation does not relieve the member from the responsibility of paying for their electric

usage but does prevent a shutoff during the winter months. Note: Members who have been shutoff or who have a pending shutoff for unauthorized use of electric service within the past two (2) years are not eligible for this plan.

- a) *Low Income.* After a member has exhausted all state and federally funded utility assistance options, they can apply for the Winter Protection Plan (WPP).
- An eligible low-income member must pay at least 7% of their estimated annual bill each month of the heating season.
 - The Cooperative shall not shut off service to an eligible low-income member during the heating season for non-payment of a delinquent amount if the member participates in and meets the requirements of the Winter Protection Plan. If the member fails to meet the requirements of the WPP, they will be removed and will not be eligible for the plan again until the following heating season.
 - At the conclusion of the heating season, the Cooperative shall reconcile the accounts of members participating in the WPP and allow members to pay any delinquent balances owed in equal monthly installments between April 1 and October 31. These installments shall be paid in addition to the members' current charges on their regular due date each month. The Cooperative may shut off service without additional notice to members who fail to make their installment payments.
- b) *Senior Citizen.* A senior citizen is defined as someone at least 65 years of age. The Winter Protection Plan applies to their primary residence only. No other accounts under their membership will qualify for shutoff protection.
- The Cooperative will not shut off service to an eligible senior citizen member during the heating season.
 - At the member's request the Cooperative shall restore service to an eligible senior citizen member during the heating season without payment of the amount due, security deposit, reconnection fee or other charges.
 - Senior citizens who participate in the WPP are encouraged to pay whatever they can during the winter months, in order to avoid a large, unmanageable balance when the heating season ends.
 - At the conclusion of the heating season, the Cooperative shall reconcile the accounts of members participating in the WPP and allow members to pay any delinquent balances owed in equal monthly installments between April 1 and October 31. These installments shall be paid in addition to the members' current charges on their regular due date each month. The Cooperative may shut off service without additional notice to members who fail to make their installment payments.
 - The Cooperative reserves the right to require proof of age.

Notice of energy assistance programs. The Cooperative shall publish annually in the Michigan Country Lines magazine, a listing and explanation of available assistance programs.

VOLUNTARY TERMINATION OF SERVICE

(1) A Cooperative Member or authorized representative shall notify the Cooperative in person, by telephone, in writing, or via the internet, prior to requested service termination.

(2) Once notified, the Cooperative will place a notice at the service location, allowing a minimum of twenty-four (24) hours and a maximum of five (5) business days prior to disconnection.

ANTI-DISCRIMINATION POLICY

The Cooperative supports and embraces an environment that is free from all discrimination, including of its Members. The Cooperative prohibits and will not tolerate discrimination on the basis of race, color, national origin, sex, sexual orientation, gender identity, religion, age, disability, veteran status, or any other basis prohibited by federal, state or local law.