

CARTERET-CRAVEN ELECTRIC COOPERTIVE PREPAY SERVICE RULES AND MEMBER AGREEMENT

105. PREPAY SERVICE

Prepay service is an optional payment plan available to Carteret-Craven Electric Cooperative members that allows residential members to pay in advance for their electricity usage. There are no deposits, late fees or disconnect/reconnect fees charged to prepay accounts. Participation in prepay service requires the member to maintain a positive balance on the account to pay for electricity used each day.

Prepay service is available to most standard residential 120/240 volt, 200-amp single phase electric accounts where the electric service is metered by an advanced meter with remote disconnect capability. Prepay service may not be available in all areas of the cooperative's service territory and may not be available to all members. The cooperative will determine eligibility upon request.

Prepay accounts are subject to automatic disconnection if an account's daily balance falls below zero (0). Therefore, prepay cannot be used for account programs that require a conventional post-pay account. These programs include, but are not limited to, budget billing, bank or credit/debit card automatic drafts, time-of-use, ERC loans, qualified facilities' purchased power, and/or contract payments. In addition, members on the medical priority list cannot enroll in the prepay service. Members who want to participate in these programs will need to maintain their current conventional post-pay account or convert their prepay account to a conventional post-pay account.

Members electing to participate in prepay service must register their electric account online at the cooperative's PowerPay24 website or mobile app, and must agree to be bound by the terms and conditions of prepay service as outlined in this service rule or as may be required by the cooperative from time to time.

105.1 ESTABLISHING SERVICE

New members may open a pre-pay account, and current members may opt to convert their existing conventional post-pay account to a prepay account. Existing deposits will first be applied to prepay fees, unbilled usage and account balances. Any remaining amount will be applied as a credit to the prepay account to be used to pay for future electricity usage. The prepay account must have a new account minimum balance as listed in the Schedule of Charges.

A deferred payment plan up to a maximum of \$300 may be arranged for members converting to prepay if they do not have an existing deposit or if the existing deposit is not sufficient to cover the combined total of current unbilled usage and existing account balance, and/or if an old debt has been found to be owed. Fifty percent (50%) of each payment made on a prepay account will be applied to the deferred payment plan and the remainder to the prepay account balance until the deferred amount is paid in full.

If a member seeks to convert from prepay to a conventional post-pay account, all applicable fees and deposits as indicated in the Service Rules and Regulations will apply, and any balance on the prepay account must be paid in full before converting to the conventional post-pay account. Member participation in prepay service does not establish a credit rating with the cooperative. Therefore, the prepay account cannot be used to determine a member's creditworthiness when establishing a conventional post-pay account.

105.2 BILLING

Prepay account charges will be calculated daily. These charges will include electricity use as well as other applicable charges and fees for prepay service. Prepay accounts do not receive a paper statement. Daily prepay account information, including account balance, usage, charges and applied payments/adjustments, will be available online at the cooperative's PowerPay24 website and mobile app.

105.3 NOTIFICATIONS

The cooperative will normally send notifications to the member using the method(s) of communication selected by the member. The notifications will begin when the account usage and balance reach specific thresholds, measured by the number of days remaining based on average electricity usage, and/or when the account balance falls below a certain amount. Default thresholds are in place at the time of initial sign-up, but the member may opt to change the thresholds at any time online at the cooperative's PowerPay24 website or mobile app. Other notifications include payment confirmation and account status.

Members shall choose the notification methods at the time of initial sign-up. At least one notification method must be chosen for a prepay account, but two notification methods are recommended to avoid a single point of communication failure.

Members must provide a working cell phone number to receive text messages or an active email account to receive email notices. Charges for text messages from the member's cell phone service provider are the member's responsibility.

It shall be the member's responsibility to update phone numbers and email addresses for notification purposes online at the cooperative's PowerPay24 website or mobile app. If phone numbers and email addresses are not correct, notifications will not be received, and service may be disconnected without any other notice.

The cooperative will attempt to notify prepay account members of possible disconnection due to insufficient balance, but prepay account members are ultimately responsible for monitoring their account's balance. **LOW BALANCE, PENDING DISCONNECTION AND OTHER NOTIFICATIONS WILL BE PROVIDED BY THE COOPERATIVE WHENEVER REASONABLY POSSIBLE, BUT TRANSMISSION AND RECEIPT OF THE NOTIFICATIONS CANNOT BE GUARANTEED. IT SHALL BE THE MEMBER'S RESPONSIBILITY TO MONITOR THEIR PREPAY ACCOUNT USAGE AND BALANCE AND TO DETERMINE WHEN A PAYMENT IS NECESSARY TO PREVENT DISCONNECTION.**

105.4 PAYMENTS

Payments can be made by credit card, debit card or electronic check through the cooperative's PowerPay24 website or mobile app, or by phone. Payments can also be made in person at any cooperative office during normal working hours, 8 a.m. to 5 p.m., M-F, excluding holidays.

Agency assistance payments or payments from other third parties will be applied to prepay accounts only after payment is received. Pledges will not be accepted. Alternative payment arrangements and credit extensions will not be allowed on prepay accounts. Some agencies may choose not to provide assistance to members participating in the prepay service option. Members should confirm with any third party that is expected to make payments that a prepay account is acceptable. The cooperative will not be responsible for coordinating or facilitating assistance or other third-party payments.

When the member pays his or her account by check, whether presented in person, through the mail or electronically, the member agrees that the cooperative may charge and collect processing fees as listed in the Schedule of Charges for checks on which payment has been refused by the member's bank. If the returned item was presented via the cooperative's PowerPay24 website or mobile app, a returned check fee and electronic returned item fee as listed in the Schedule of Charges will be charged. Returned checks and associated fees will be charged to the prepay account immediately. The member will receive notification of the total amount charged to the prepay account for the returned item by the method(s) chosen by the member. If the adjustment for the returned item causes the prepay balance to fall below \$0, the member will also receive notification that the service is subject to disconnection. Once a check has been returned on a prepay account, checks will not be accepted as payment on the account for a period of at least 12 months.

105.5 DISCONNECTION

Maintaining a positive account balance is the only way to prevent disconnection of service for a prepay account. Prepay accounts will be subject to disconnection when the balance falls below \$0. Disconnection can occur any day of the week, including weekends and holidays. Disconnected prepay accounts will not be reconnected until the account balance is brought to the required minimum balance, as listed in the Schedule of Charges.

Restoration of electric service for prepay accounts will usually occur within thirty (30) minutes, but may take longer, particularly if factors outside of the cooperative's control prevent reconnection. If service is not restored within thirty (30) minutes, the member should notify the cooperative immediately.

If service is disconnected and payment is made to restore service, the member accepts all responsibility for ensuring no safety hazards exist (for example, members should make sure stove burners are off, irons are off, etc.) before making their payment to be reconnected.

THE MEMBER, ON BEHALF OF THE MEMBER AND MEMBER'S FAMILY MEMBERS, GUESTS, EMPLOYEES, AGENTS, AND INVITEES, HEREBY IRREVOCABLY, UNCONDITIONALLY, AND FOREVER RELEASES, ACQUITS, QUITCLAIMS, AND DISCHARGES THE COOPERATIVE, AND ITS MEMBERS, DIRECTORS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS, OF AND FROM ANY AND ALL CHARGES, ACTIONS, COMPLAINTS, CAUSES OF ACTION, CLAIMS (INCLUDING, BUT NOT LIMITED TO, ANY CLAIMS FOR PUNITIVE DAMAGES, ATTORNEYS' FEES, AND COSTS), LIABILITIES, OBLIGATIONS, CONTROVERSIES, DAMAGES, SUITS, PROCEEDINGS, EXPENSES, AND DEMANDS OF ANY KIND OR NATURE WHATSOEVER, KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, WHETHER ARISING OUT OF CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, BASED UPON, ARISING OUT OF, RELATED TO, OR CONNECTED IN ANY WAY WITH (A) THE COOPERATIVE'S INSTALLATION, INSPECTION, MAINTENANCE, OR USE OF ANY REMOTE DISCONNECT METER, AND (B) ANY DAMAGE TO THE MEMBER'S PROPERTY OR INJURY TO PERSONS (INCLUDING DEATH) ARISING OUT OF OR CONNECTED WITH ANY DISCONNECTION OR RECONNECTION OF ANY SERVICE THROUGH A PREPAY ACCOUNT, EXCEPT IN CASES OF THE COOPERATIVE'S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT.

If a prepay account contains a balance of zero (0) or less for at least five (5) business days, the account will be closed and a final bill calculated. The member will be responsible for any remaining balance. For credit balances on closed accounts, a refund check will be mailed to the last billing address on file. Members moving to another address should make a request for their prepay service to be disconnected to prevent continuing charges to their prepay account and to provide a forwarding mailing address for any refund.

- 1. Prepay new account minimum balance \$50.00
- 2. Prepay reconnection minimum balance \$30.00

I have read and understand the Carteret-Craven Electric Cooperative Prepay Service Rules.

Member Name _____ Account Number _____

Member Signature _____

Date _____