

# CHERRYLAND ELECTRIC COOPERATIVE

## POLICY NO. 143

### RATES AND SERVICE RULES

#### I. OBJECTIVE

As a member-regulated electric cooperative the board of directors is responsible for establishing, maintaining, and applying all rates, charges, accounting standards, billing practices, and terms and conditions of service. This policy shall apply to all actions of the board of directors in carrying out its responsibilities as a member-regulated electric cooperative.

#### II. GENERAL

1. The board of directors shall, by board action, establish, maintain, and apply all rates, charges, accounting standards, billing practices, and terms and conditions of service in accordance with Public Act 167 of 2008.
2. The Michigan Public Service Commission ("Commission") shall retain jurisdiction and control over all matters involving safety, interconnection, code of conduct, customer choice, service area, distribution performance standards, and quality of service, including interpretation of applicable Commission rules and resolution of complaints and disputes. Penalties pertaining to the Cooperative's failure to meet applicable performance standards and quality of service rules shall be established by a vote of the Members at an annual meeting of the Cooperative.
3. The Cooperative shall maintain and make available to the public an electronic copy of its rates, charges, accounting standards, billing practices and service rules, and terms and conditions of service on its website and shall maintain a paper copy at its office for review by the general public, and shall provide a copy of the same to the Commission.
4. The Cooperative shall provide a copy of the annual audited financial statement to the Commission within 30 days after approval by the board of directors.

#### III. RATES, RATE SETTING AND RULES OF SERVICE

1. The board of directors shall have the sole responsibility for determining how rates, charges, billing practices and service rules are to be established, maintained, and applied.

2. The rates and charges shall reasonably reflect the costs of providing service and shall be uniform within the classes of service provided by the Cooperative.
3. The Cooperative shall give at least 10 days' notice to all Members of the time and place of any meeting of the board at which an increase in rates affecting at least 5% of the Members or substantive changes in billing practices and service rules or terms and conditions of service are to be discussed and voted on.
  - a. Any such meeting shall be open to all Members.
  - b. Notice shall be sent by first-class mail to all Members or may be published in *Country Lines* magazine.
  - c. Prior to voting on a change in rates or billing practices and service rules, the board shall provide Members time to address the board as outlined in Board Policy No. 142.
4. The Cooperative shall publish notice of any rate change or any change in billing practices and service rules or terms and conditions of service at least 30 days prior to the effective date of the change. The notice shall be published in *Country Lines* magazine, or may be mailed first class to each Member of the Cooperative.

#### IV. RESPONSIBILITY

It shall be the responsibility of the board of directors to carry out the intent of this policy.