



# PEDERNALES ELECTRIC COOPERATIVE

Board of Directors Agenda - Final

08/18/2023 | 9:00 AM | PEC Headquarters Auditorium

**201 S. Ave F, Johnson City, TX 78636**

Open Session of this Regular Meeting will be held in the PEC Auditorium and will be recorded in accordance with Board Meetings Policy. Members are able to watch this meeting by live stream from the PEC website at <https://pec.legistar.com/Calendar.aspx>.

## Call to Order and Roll Call

9:00 AM Meeting called to order on August 18, 2023 at PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, TX.

The following agenda items may be considered in a different order than they appear.

## Adoption of Agenda

### Consent Items

1. [2023-225](#) **Friday, July 21, 2023 - Regular Meeting Minutes**  
**Attachments:** [2023-07-21 OS Meeting Minutes draft v2](#)
2. [2023-253](#) **Revised Conflict of Interest Form for Director Mark Ekrut, District 3**  
**Attachments:** [2023-08-07 Director Conflict of Interest - D3 EKRUT](#)

### Cooperative Recognitions

3. [2023-226](#) **Recognition of PEC Participation at Annual Texas Lineman's Rodeo - E Dauterive**

### Cooperative Monthly Report

4. [2023-227](#) **Cooperative Update - J Parsley/E Dauterive/R Kruger/D Ballard/J Urban**  
**Attachments:** [Aug Coop Update w COO and CFO v8](#)

### Member Comments (3 minute limitation or as otherwise directed by Board)

5. [2023-228](#) **Member Comments**  
**Attachments:** [Decorum Policy](#)

### Action Items / Other Items

6. [2023-177](#) **Resolution - Approval of Materials Purchase for Lago Vista to Nameless Transmission Line Project - J Treviño**
7. [2023-232](#) **Resolution - Approval of Permit Processing Contract for Pole Contacts - J Treviño**

8. [2023-229](#) Resolution - Review and Approval of Board Meetings Policy - Don Ballard  
**Attachments:** [Board Meetings Policy Clean 2023-229](#)  
[Board Meetings Policy Redline 2023-229](#)
9. [2023-230](#) Resolution - Approval of 2023 Budget Amendments - J Smith/K Jones  
**Attachments:** [2023 Amended PEC Operating Budget - 2023-230 - FINAL](#)
10. [2023-231](#) Resolution - Approval to Amend Tariff and Business Rules - Base Power Charge - D Thompson  
**Attachments:** [PPT - Approval to Amend Tariff and Business Rules - Base Power Rate - 2023 - 231 -FINAL](#)  
[Tariff Language Clean - Tariff and Business Rules - Base Power Rate - 2023 - 231 - FINAL](#)  
[Tariff Language Redline - Tariff and Business Rules - Base Power Rate - 2023 - 231 - FINAL](#)
11. [2023-233](#) Post Member-Election Analysis and Annual Review - D Ballard  
**Attachments:** [2023 Election Follow Up Presentation - 2023-233 - Final](#)

**Proposed Future Items / Meetings (subject to final posting)**

12. [2023-236](#) List of Board Approved Future Meetings  
**Attachments:** [2023 Board Meeting Calendar](#)
13. [2023-237](#) Board Planning Calendar (Written Report in Materials)  
**Attachments:** [3-Month Outlook Calendar](#)  
[PEC Annual Planning Calendar](#)

**Recess to Executive Session**

**Executive Session - Legal Matters**

14. [2023-238](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services
15. [2023-239](#) Litigation and Related Legal Matters - D Ballard
16. [2023-240](#) Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - D Ballard
17. [2023-241](#) Directors' Conflict of Interest Training and Directors' Code of Conduct Training - R Fischer

**Executive Session - Contract and Competitive Matters**

18. [2023-252](#) Resolution - Amendment to Authorization of Filing Application with Public Utility Commission for Service Boundary Change or Exception to PEC Certificate of Convenience and Necessity - A Hagen
19. [2023-234](#) Resolution - Approval of Power Supply Contract Amendment - D Thompson

- 20. [2023-243](#) Draft Resolution - Approval for Renewal of 2024 Medical Insurance Benefits - N Fulmer
- 21. [2023-244](#) Draft Resolution - Approval of Amendments and Restatement of Employees' 401(k) Savings Plan - N Fulmer
- 22. [2023-224](#) Draft Resolution - Approval of Security Guard Services Agreement - C Moos
- 23. [2023-254](#) Draft Resolution - Approval of Construction Contract for Yarrington Substation - J Treviño
- 24. [2023-255](#) Draft Resolution - Approval of Amendment to ARCOS Contract - J Treviño
- 25. [2023-261](#) Distribution Planning Brief - J Treviño
- 26. [2023-242](#) 2023 Property (Real and Personal) Tax Appraisal and Assessment Update - S Houghton/K Jones
- 27. [2023-245](#) Markets Monthly Report - D Thompson

Executive Session - Real Estate Matters

- 28. [2023-246](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive/C Moos
- 29. [2023-247](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - E Dauterive/C Moos

Executive Session - Safety and Security Matters

- 30. [2023-248](#) Safety and Security Matters
- 31. [2023-249](#) Cyber Security Semiannual Update - S Stoppelmoor

Executive Session - Personnel Matters

- 32. [2023-250](#) Personnel Matters
- 33. [2023-251](#) Corporate Initiatives and CEO Action Items Update - J Parsley

Reconvene to Open Session

Items from Executive Session

Adjournment



# Pedernales Electric Cooperative

PO Box 1  
Johnson City, TX 78636

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**File #: 2023-225, Version: 1**

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**Friday, July 21, 2023 - Regular Meeting Minutes**



## Meeting Minutes - Draft

### Board of Directors

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Friday, July 21, 2023

9:00 AM

PEC Headquarters Auditorium

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201 S. Ave F, Johnson City, TX 78636

Open Session of this Regular Meeting was held in the PEC Auditorium and was recorded in accordance with Board Meetings Policy. Members are able to watch this recording from the PEC website at <https://pec.legistar.com/Calendar.aspx>.

#### Call to Order and Roll Call

This meeting was called to order at 9:02 a.m., on July 21, 2023, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas.

**Present:** 7 - Director Milton Rister, Director Emily Pataki, President Mark Ekrut, Secretary/Treasurer Travis Cox, Director James Oakley, Vice President Paul Graf, and Director Amy Akers

#### Board Organizational Matters

1. [2023-218](#) **Election - Office of President**  
Mr. Don Ballard, General Counsel, described the election process for the Office of President and the Board members voted by blind secret ballot. The Board voted Director Mark Ekrut as President.
2. [2023-219](#) **Election - Office of Vice President**  
Mr. Don Ballard, General Counsel, described the election process for the Office of Vice President and the Board members voted by blind secret ballot. The Board voted Director Paul Graf as Vice President.
3. [2023-220](#) **Election - Office of Secretary and Treasurer**  
Mr. Don Ballard, General Counsel, described the election process for the Office of Secretary and Treasurer and the Board members voted by blind secret ballot. The Board voted Director Travis Cox as Secretary and Treasurer.
4. [2023-221](#) **Resolution - Approval of the Appointment of Audit Committee and Audit Committee Chairperson**  
**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that Directors Emily Pataki and Travis Cox are hereby appointed and affirmed as members of the Audit Committee, effective as of July 21, 2023.

**BE IT RESOLVED BY THE BOARD OF DIRECTORS** that Director James Oakley is hereby appointed and affirmed as the Chairperson of the Audit Committee, effective as of July 21, 2023.

The Board discussed serving on the Audit Committee. President Mark Ekrut made a motion for Director James Oakley to serve as Audit Committee Chairperson, and Director Emily Pataki and Travis Cox to serve as Audit Committee Members.

**A motion was made by President Ekrut, seconded by Director Oakley, that this item be approved. The motion failed by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

### Adoption of Agenda

The agenda was adopted as posted and without objection.

### Consent Items

Without objection the items listed under Consent Items were approved by general consent.

5. [2023-195](#) **Friday, June 16, 2023 - Regular Meeting Minutes**

**Attachments:** [2023-06-16 OS Meeting Minutes draft v2](#)

### Cooperative Monthly Report

6. [2023-196](#) **Cooperative Update - J Parsley/E Dauterive/R Kruger/D Ballard/J Urban**

**Attachments:** [July Cooperative Update 2023-196 Final](#)

Ms. Julie Parsley, Chief Executive Officer (CEO), Mr. Eddie Dauterive, Chief Operations Officer (COO), Mr. Randy Kruger, Chief Financial Officer (CFO), Mr. Don Ballard, General Counsel, and, Mr. JP Urban, Executive Vice President, External Relations, presented a collaborative Cooperative Update. Ms. Parsley discussed the legislative and regulatory update, the PEC affirmed AA-, by Fitch Ratings, the PEC Youth Delegates, PEC's Second Annual Solar Car Derby, PEC's assistance to Upshur Rural Electric Coop, Gilmer, Texas, after devastating storms, and employee kudos. Mr. Dauterive discussed reliability, system growth, underground and overhead miles of line, an estimate of 1,027,000 members serviced year to date by PEC, the AMI meter deployment, and the Texas Lineman Rodeo in Seguin, Texas. Mr. Kruger discussed the June 2023 financial report, power market fundamentals, inflation, and interest rates. Mr. Ballard discussed the workforce and governance report, employee development, and shared a safety video. Mr. Urban discussed the community and member engagement report, PEC employees donating school supplies to local classrooms, and capital credit allocation notices sent to members. Mr. Urban introduced Dripping Springs High School student, Grant Gillum, who won an award at the 2023 National History Day Contest held at the University of Maryland for his individual website titled, "Power for the People: How LBJ Tamed the Frontiers of Texas Hill Country Electrification."

**Member Comments (3 minute limitation or as otherwise directed by Board)****7. [2023-197](#) Member Comments**

**Attachments:** [Decorum Policy](#)

Mr. Ling Zhu was present and commented on the Empowering Rural America Program (New ERA) available to rural electric cooperatives.

**Action Items / Other Items****8. [2023-176](#) Resolution - Approval of Construction Contract for Paleface to Marshall Ford Transmission Line - J Treviño**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Chief Executive Officer, or designee, is authorized to negotiate, execute, and deliver a contract for construction services to reconstruct the transmission line as described herein, and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.

Mr. Jose Treviño, Vice President, Engineering, presented the resolution and asked the Board for approval.

**A motion was made by Director Oakley, seconded by Secretary/Treasurer Cox, that this item be approved. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

**9. [2023-198](#) Resolution - Approval to Appoint NRECA Voting Delegates for NRECA Regional Meeting, October 18-20, 2023 - Board President**

**Body:** **RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the following Directors are appointed and designated as authorized representatives of the Cooperative to serve as a voting delegate and alternate delegate to act at meetings of the National Rural Electric Cooperative Association Regional Meetings 8 & 10, October 18-20, 2023, until successors are duly appointed and designated: Amy Akers, Voting Delegate; and Mark Ekrut, Alternate Delegate.

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions necessary to implement this resolution.

**Attachments:** [NRECA 2023 Regions 8 and 10](#)

President Ekrut discussed the NRECA Voting Delegates for the NRECA Regional Meeting.

**A motion was made by Director Oakley, seconded by Secretary/Treasurer Cox, that this item be approved. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

10. [2023-199](#) **Resolution - Approval to Appoint CFC Voting Delegates for CFC District Meeting, October 19, 2023 - Board President**
- Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the following Directors are appointed and designated as authorized representatives of the Cooperative to serve as the voting delegates of the Cooperative and to cast the vote of the Cooperative for matters pertaining to the 2023 District 10 Meeting of the National Rural Utilities Cooperative Finance Corporation (CFC): Amy Akers as Voting Delegate and Mark Ekrut as Alternate Delegate.
- BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions necessary to implement this resolution.
- Attachments:** [Regional Meetings 8&10](#)
- President Ekrut discussed the CFC Voting Delegates for the CFC District Meeting.
- A motion was made by Secretary/Treasurer Cox, seconded by Director Pataki, that this item be approved. The motion carried by the following vote:**
- Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers
11. [2023-200](#) **Resolution - Approval of Written Certification of the Election Results - D Ballard**
- Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the election results, as certified by Survey & Ballot Systems and presented to the Board this day, are hereby accepted as the official results of the Cooperative's 2023 Election; and
- BE IT FURTHER RESOLVED** that the General Counsel, or designee, is authorized to enter the official election results into the minutes of the Cooperative and to take any other actions to implement this resolution.
- Attachments:** [23-PEC Final Report Certified Results REDACTED](#)
- Mr. Michael Butler, Corporate Counsel, reviewed the proposed resolution for the written certification of the 2023 election results and asked the Board for approval.
- A motion was made by Director Pataki, seconded by Secretary/Treasurer Cox, that this item be approved. The motion carried by the following vote:**
- Yes:** 6 - Rister, Pataki, Ekrut, Cox, Oakley, and Graf
- Absent:** 1 - Akers
12. [2023-201](#) **Resolution - Approval to Renew Contract for Election Service Provider - M Butler**
- Body:** **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the General Counsel, or designee, is authorized to negotiate and execute a one-year renewal with Survey & Ballot Systems for Election Services Provider on behalf of the Cooperative.

Mr. Michael Butler, Corporate Counsel, presented the resolution and asked the Board for approval.

**A motion was made by Director Oakley, seconded by Director Rister, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, Pataki, Ekrut, Cox, Oakley, and Graf

**Absent:** 1 - Akers

**13. [2023-202](#) Election Update - Annual Voter Turnout - M Butler**

**Attachments:** [Election Update - 2023 Annual Voter Turnout 2023-202 Final](#)

Mr. Michael Butler, Corporate Counsel, presented a summary of the annual voter turnout of the 2023 Director Election.

**14. [2023-203](#) Annual Review of Conflicts of Interest Certification and Disclosure Forms from Directors - D Ballard**

**Attachments:** [D1 Milton Rister](#)  
[D2 Emily Pataki](#)  
[D3 Mark Ekrut](#)  
[D4 Travis Cox](#)  
[D5 James Oakley](#)  
[D6 Paul Graf](#)  
[D7 Amy Lea SJ Akers](#)

Mr. Don Ballard, General Counsel, stated that pursuant to the Conflict of Interest Policy, the Board of Directors' signed certifications and disclosure forms were included.

**15. [2023-146](#) Draft Resolution - Review and Approval of Board Meetings Policy - D Ballard**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that pursuant to its regular review of Board policies, the Board has reviewed and adopts the Board Meetings Policy, with such changes, if any, as were approved by the Board; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or their designees, are authorized to take all such action as may be necessary to implement this resolution.

**Attachments:** [Board Meetings Policy Redline 2023-146 Draft](#)  
[Board Meetings Policy Clean 2023-146 Draft](#)

Mr. Don Ballard, General Counsel, presented the draft resolution and said the final resolution will be presented to the Board for approval next month.

**16. [2023-205](#) Draft Resolution - Approval of 2023 Budget Amendments - J Smith/K Jones**

**Body:** **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative adopt the Amended 2023 Operating and Capital Improvement Plan (CIP) Budgets as presented this day; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.

**Attachments:** [2023 Amended PEC Operating Budget - 2023-205-Draft](#)

Ms. Janelle Smith, Director of Finance, presented the draft resolution and said the final resolution will be presented to the Board for approval next month.

17. [2023-204](#) **Draft Resolution - Approval to Amend Tariff and Business Rules - Base Power Charge - D Thompson/R Kruger**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approves the amendments to the Tariff and Business Rules as attached hereto with such changes, if any, as were approved by the Board, to become effective for all bills issued on and after October 1, 2023; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.

**Attachments:** [PPT - Approval to Amend Tariff and Business Rules - Base Power Rate 2023-204 FINAL](#)  
[Tariff Language Clean - Tariff and Business Rules - Base Power Rate 2023-204 FINAL](#)  
[Tariff Language Redline - Tariff and Business Rules - Base Power Rate 2023-204 FINAL](#)

Mr. Randy Kruger, Chief Financial Officer (CFO), and Mr. David Thompson, Vice President of Markets, presented a summary of the draft resolution and said the final resolution would be presented next month for approval.

18. [2023-206](#) **Key Performance Indicator (KPI) Update of 2023 Period 1 Results - E Dauterive**

**Attachments:** [2023-7-21 KPI 2023 P1 Performance](#)

Mr. Eddie Dauterive, Chief Operations Officer (COO), presented the Key Performance Indicators (KPI) update of 2023 Period 1 (P1) Performance. Mr. Dauterive said the P1 KPI payout is 8.88% and will be distributed to employees on July 25, 2023.

**Proposed Future Items / Meetings (subject to final posting)**

19. [2023-207](#) **List of Board Approved Future Meetings**

**Attachments:** [2023 Board Meeting Calendar](#)

President Mark Ekrut stated that the Board approved meeting dates were included in the meeting materials.

**20. [2023-208](#) Board Planning Calendar (Written Report in Materials)**

**Attachments:** [3-Month Outlook Calendar](#)  
[PEC Annual Planning Calendar](#)

President Mark Ekrut stated that the proposed planning calendars were included in the meeting materials.

**Recess to Executive Session**

President Mark Ekrut announced the items to be discussed in Executive Session and at 10:29 a.m., stated the Board would go into Executive Session.

**Executive Session - Legal Matters****21. [2023-209](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services****22. [2023-210](#) Litigation and Related Legal Matters - D Ballard****23. [2023-223](#) Legislative Update - J Urban****[2023-211](#) Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - D Ballard****Executive Session - Contract and Competitive Matters****25. [2023-119](#) Distribution System Planning Update - J Treviño****26. [2023-217](#) Draft Resolution - Approval of Permit Processing Contract for Pole Contacts - J Treviño****27. [2023-212](#) Markets Monthly Report - D Thompson****28. [2023-222](#) Draft Resolution - Approval of Power Supply Contract Amendment - D Thompson****Executive Session - Real Estate Matters****[2023-213](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive/C Moos****30. [2023-214](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - E Dauterive/C Moos****Executive Session - Safety and Security Matters****31. [2023-215](#) Safety and Security Matters**

**Executive Session - Personnel Matters****32. [2023-216](#) Personnel Matters****Reconvene to Open Session**

At 2:33 p.m., the Board reconvened to the Open Session meeting.

**Items from Executive Session**

The following agenda items were discussed in Executive Session and set for approval in Open Session.

**24. [2023-211](#) Resolution - Approval of Authorization for Settlement of Litigation Matter(s)**

**Body: NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative is authorized to settle certain litigation in Edwards County District Court that involves the Cooperative on the terms discussed this day in Executive Session, and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Chief Executive Officer, or designees, are authorized to negotiate any other terms as necessary for disposition of the litigation and execute, acknowledge and deliver any such documents, and otherwise take any actions as needed to implement this resolution.

**A motion was made by Director Pataki, seconded by Director Oakley, that this item be approved. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

**29. [2023-213](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive/C Moos**

The Executive Session Real Estate items were approved as resolutions **#2023-256** and **#2023-257** as listed below.

**[2023-256](#) Resolution - Approval of Sale of Land and Improvements and Release from Lien for Property in Hays County - E Dauterive**

**Body: WHEREAS**, the Cooperative's Board of Directors has reviewed the Term Sheet for the sale of the Land and Improvements with respect to the Dripping Springs Property 1 in Hays County as provided in Executive Session; and

**WHEREAS**, the Cooperative's Board of Directors hereby concludes that the Land and Improvements are no longer necessary or advantageous in the business of the Cooperative; and

**WHEREAS**, the Cooperative's Board of Directors hereby concludes that the sale price represents the fair market value for the Land and Improvements; and

**WHEREAS**, the Land and Improvements constitute less than all of the property

in the Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

**WHEREAS**, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Land and the Improvements; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative hereby sells the Land and the Improvements for the amount as discussed, this day in Executive Session, with certain details of any such transaction to be publicly available upon public filing of instruments;

**BE IT FURTHER RESOLVED** that the Cooperative requests that the Trustee release the Land and Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land from the Deed of Trust;

**BE IT FURTHER RESOLVED** that the Chief Executive Officer or any person designated in writing by her for such purpose, be, and each hereby is, authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and Improvements and release of the Land and Improvements from the Lien, in such form and containing such terms and conditions as such officer or agent may in his sole discretion deem necessary, appropriate, or desirable; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer or designee is authorized to take all such actions as needed to implement this resolution.

**A motion was made by Secretary/Treasurer Cox, seconded by Director Rister, that this item be approved. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

[2023-257](#)

**Resolution - Approval of Sale of Land and Release from Lien for Property in Hays County - E Dauterive**

**Body:** **WHEREAS**, the Cooperative's Board of Directors has reviewed the Term Sheet for the sale of the Land with respect to the Dripping Springs Property 2 in Hays County as provided in Executive Session; and

**WHEREAS**, the Cooperative's Board of Directors hereby concludes that the Land is no longer necessary or advantageous in the business of the Cooperative; and

**WHEREAS**, the Cooperative's Board of Directors hereby concludes that the sale price represents the fair market value for the Land; and

**WHEREAS**, the Land constitutes less than all of the property in the

Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

**WHEREAS**, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Land; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative hereby sells the Land for the amount as discussed, this day in Executive Session, with certain details of any such transaction to be publicly available upon public filing of instruments;

**BE IT FURTHER RESOLVED** that the Cooperative requests that the Trustee release the Land from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land from the Deed of Trust;

**BE IT FURTHER RESOLVED**, that the Chief Executive Officer or any person designated in writing by her for such purpose, be, and each hereby is, authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and release of the Land from the Lien, in such form and containing such terms and conditions as such officer or agent may in his sole discretion deem necessary, appropriate, or desirable; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer or designee is authorized to take all such actions as needed to implement this resolution.

**A motion was made by Vice President Graf, seconded by Director Oakley, that this item be approved. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

**Adjournment**

There being no further business to come before the Board of the Directors, the meeting was adjourned at 2:43 p.m.

Approved:

\_\_\_\_\_  
Travis Cox, Secretary

\_\_\_\_\_  
Mark Ekrut, President



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**File #:** 2023-253, **Version:** 1

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## **Revised Conflict of Interest Form for Director Mark Ekrut, District 3**

**Submitted By:** Don Ballard

**Department:** General Counsel

**Financial Impact and Cost/Benefit Considerations:** N/A

Section 5.3 of the Board's Conflict of Interest Policy provides that "The minutes of all Board meetings should record all disclosures, votes, authorizations, and other actions taken under this Policy."

### Conflict of Interest Policy - Purpose:

It is the Policy of the Board of Directors to govern the affairs of the Cooperative with fairness, integrity, and without regard to personal gain. A conflict of interest generally exists when a Director or certain Cooperative officers and employees have a personal interest in a matter of such nature and magnitude that an antagonism may exist between personal interest and that of the Cooperative. In such cases, a person may not be able to exercise independent and objective judgment on the matter in the best interests of the Cooperative. This Conflict of Interest Policy represents the framework in how the Board addresses conflicts, appearances of conflicts, and disclosure of necessary information to ensure transparency and integrity in decision-making.

# APPENDIX A

## CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM

As defined in the Pedernales Electric Cooperative, Inc. Conflict of Interest Policy (Policy), the undersigned Official states:

1. I affirm that I have received or have access to, have read, and understand the most current version of the Policy;
2. I agree to comply with the Policy;
3. Based upon my good faith belief, to the best of my knowledge, and except as disclosed below, I certify that I currently comply with the Policy;
4. I disclose in the space provided below the following information or facts regarding any Potential Conflict or any actual income, employment, compensation, Conflicting Interest Transaction, Business Opportunity, or pecuniary benefit, or other information or fact that could impact my compliance with the Policy. (If you have no Potential or actual information or facts to disclosure, state "None to Disclose" in the space provided below.)

I am a uncompensated Volunteer part time  
Municipal Judge for The City of JONESTOWN

5. Upon discovering any information or fact regarding any Potential Conflict or any actual income, employment, compensation, Conflicting Interest Transaction, Business Opportunity, or pecuniary benefit, or other information or fact, that could impact my compliance, or another Official's compliance, with the Policy, I agree to disclose this information or fact to the Cooperative's Board President or Chief Executive Officer; and

Upon not complying with the Policy, I agree to any sanction, disqualification, removal, or other action taken under the Policy, consistent with law and the Cooperative Bylaws.

Printed Name of Official: Mark EKrut

Position of Official: DIRECTOR

Date: 8-7-2023

Signature of Official: [Handwritten Signature]





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**File #:** 2023-226, **Version:** 1

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**Recognition of PEC Participation at Annual Texas Lineman's Rodeo - E Dauterive**

**Submitted By:** Eddie Dauterive  
**Department:** Chief Operations Officer



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**File #: 2023-227, Version: 1**

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**Cooperative Update - J Parsley/E Dauterive/R Kruger/D Ballard/J Urban**

**Submitted By: Julie Parsley**  
**Department: Chief Executive Officer**  
**Financial Impact and Cost/Benefit Considerations: N/A**



# Cooperative Update

Julie C. Parsley | Chief Executive Officer  
Eddie Dauterive | Chief Operations Officer  
Randy Kruger | Chief Financial Officer  
Don Ballard | General Counsel  
JP Urban | EVP, External Relations



# CEO Report

Julie C. Parsley | Chief Executive Officer

# Regulatory Update

- SB 1093 (88<sup>th</sup> Legislative Session)
  - Passed this last Legislative Session; related to electric supply chain mapping initiated in 2021
  - PEC staff is working to submit service area boundary maps to PUC
- SB 3 (87<sup>th</sup> Legislative Session)
  - Commenting on emergency pricing rule
- Addressing new winter weather expectations
  - Updated weatherization requirements for transmission and generation facilities
  - PEC is evaluating cold-weather design basis and weather emergency preparedness measures

# Trade Association Annual Meetings

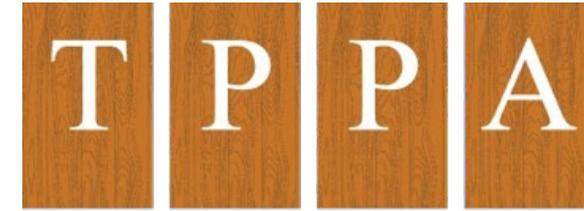


**Texas Electric  
Cooperatives**

A Touchstone Energy® Cooperative 

**Texas Electric Cooperatives  
Annual Meeting  
July 30 – August 2**

- Cooperatives from across the state gathered in Round Rock
- Subject matters included:
  - Resiliency
  - Industrial updates
  - PUC update by Commissioner Will McAdams
  - ERCOT update from CEO Pablo Vegas
- Legislative update, as well as updates from RUS, FREIE, CFC, NRTC, CoBank, and Touchstone



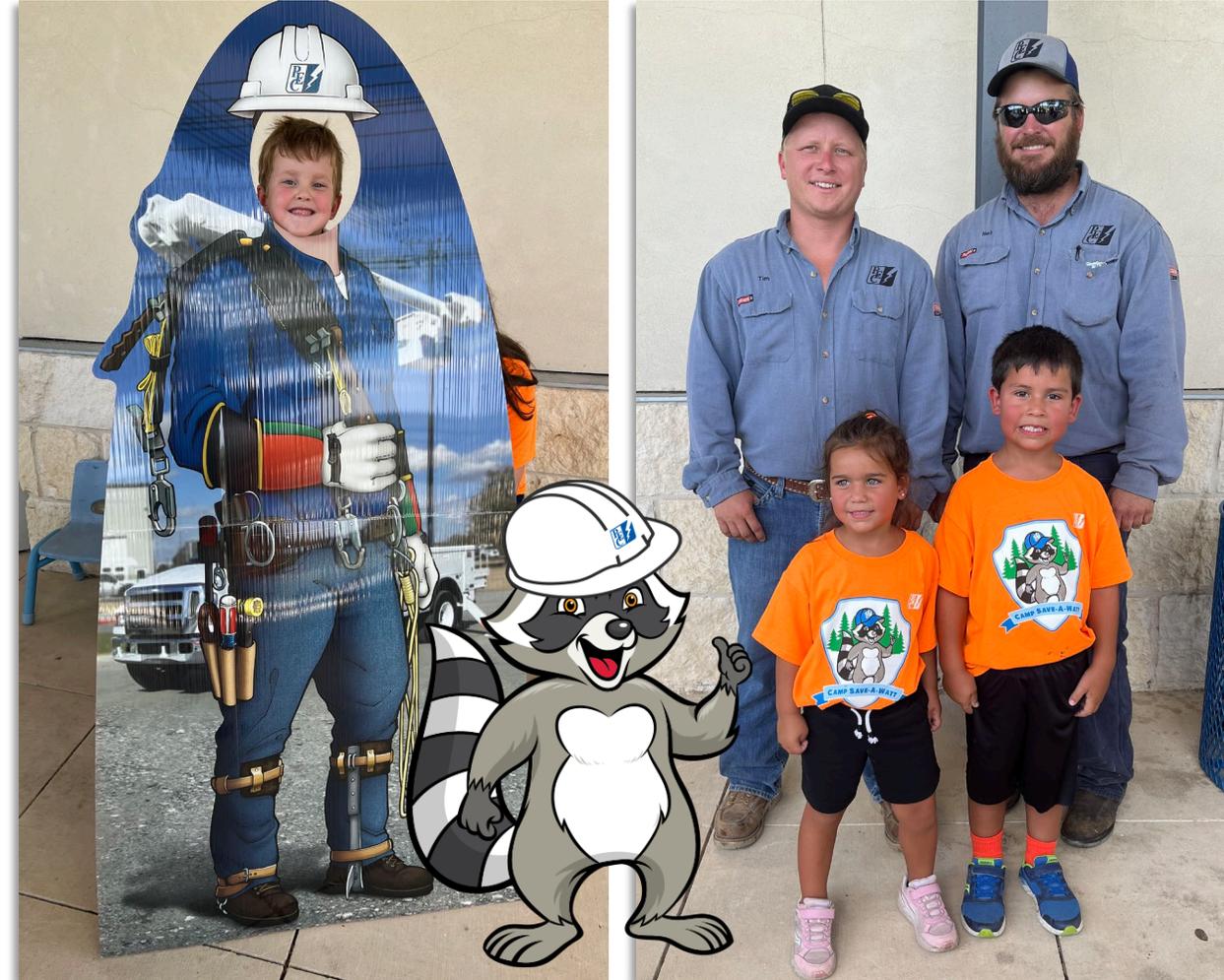
TEXAS PUBLIC POWER ASSOCIATION

**Texas Public Power Association  
Annual Meeting  
July 24 – 26**

- Keynote speakers:
  - Kathleen Jackson, PUC Chair
  - Pablo Vegas, ERCOT CEO
  - Rep. Todd Hunter, House State Affairs Committee Chair
  - Dr. Robert Mace, The Meadows Center
- Sessions on metering issues, emerging technology (DER), natural gas, load management (AMI), TCOS case history, and federal political updates

# PEC Campers Meet a Lineworker!

- In-person Camp Save-A-Watt event
- 200 campers and local children met PEC staff and lineworkers in late July
  - Bertram
  - Cedar Park
  - Kyle
  - Spring Branch
- Learned about electrical safety, tried on lineworker PPE, and participated in story time with PEC lineworkers reading
- Partnered with library programs



# Apply Today for a PEC Community Grant

- Local nonprofits are encouraged to apply for PEC Community Grants
- Deadline to apply is Monday, October 2
- Grants of up to \$5,000 available
- More than \$365,000 invested in our communities since 2016
- Funded 100% through cooperative's Power of Change program

**POWER** of  **CHANGE**



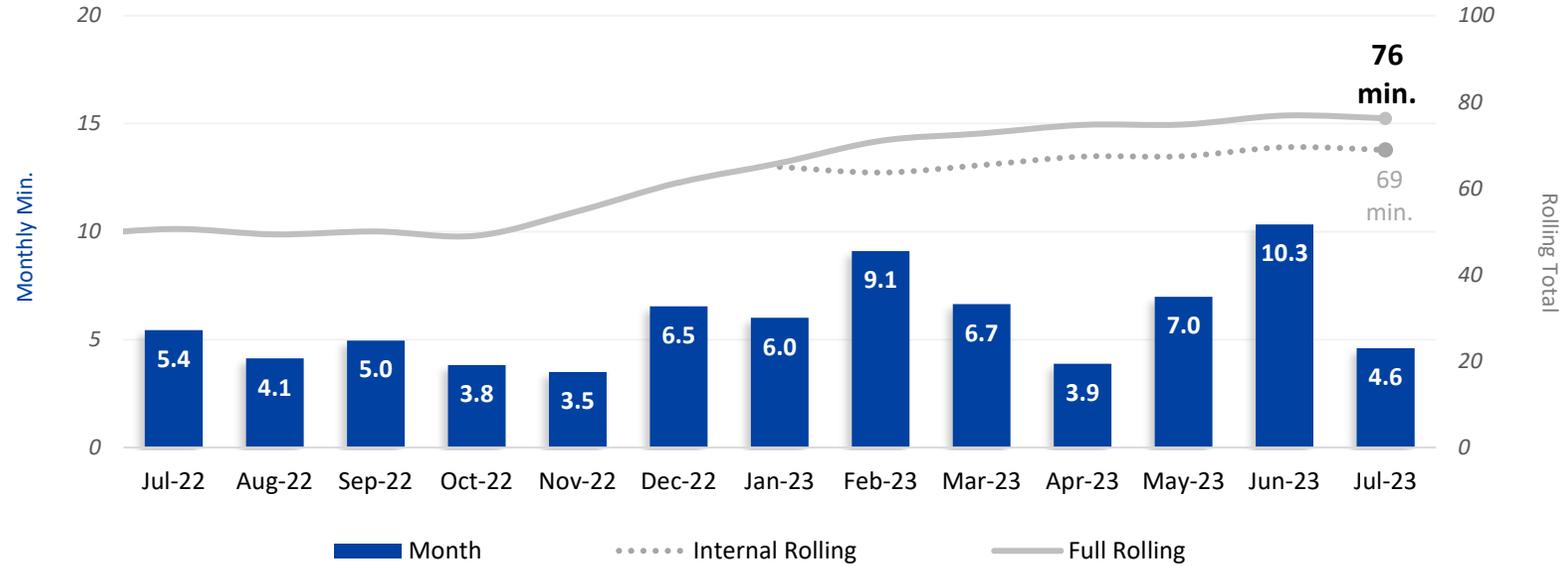


# Operations Report

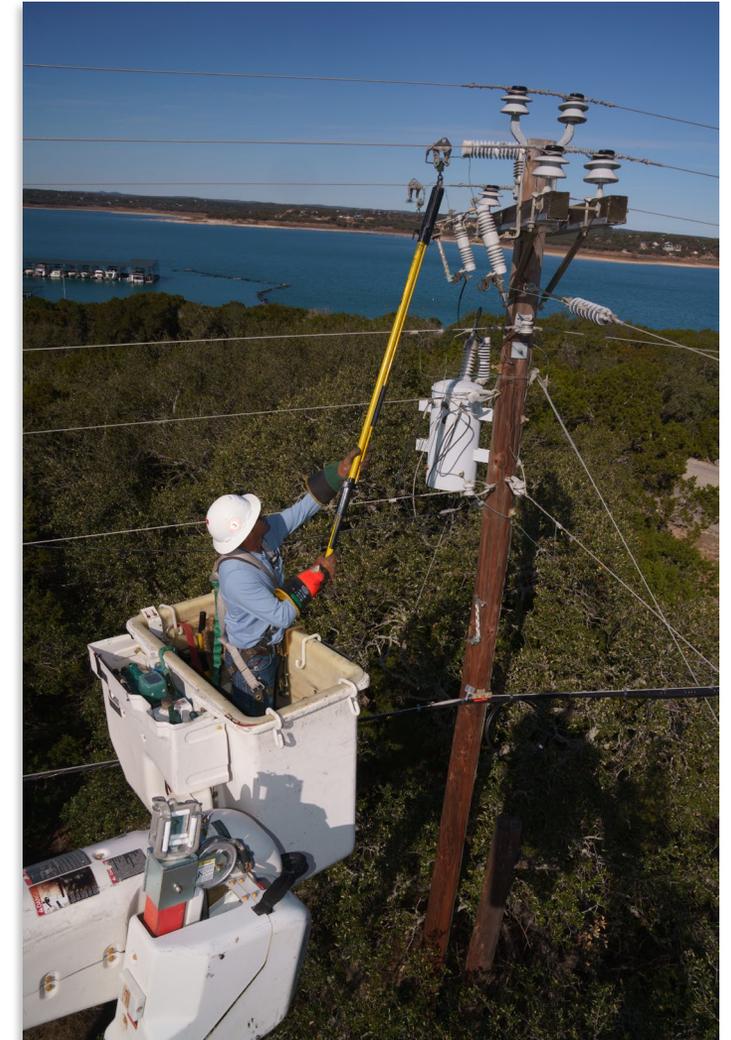
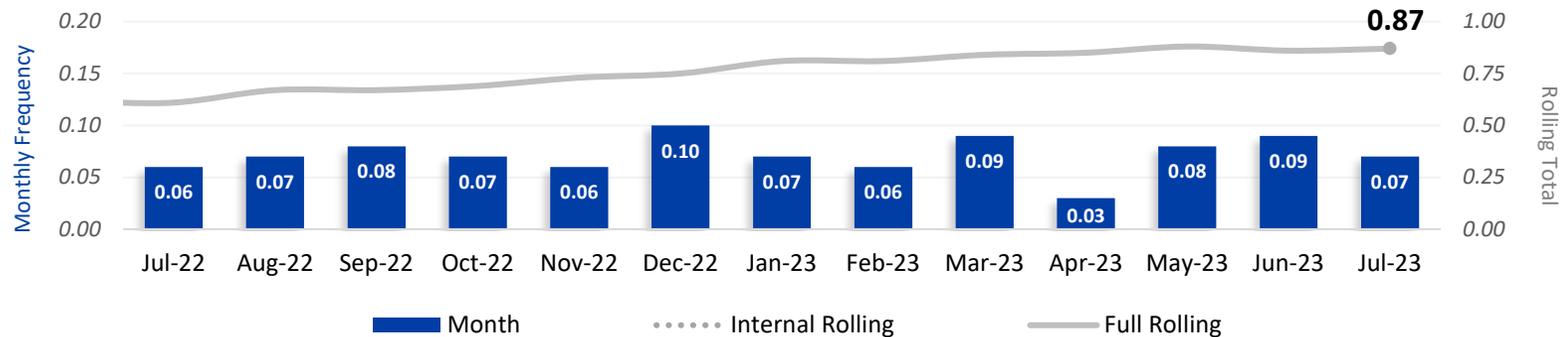
Eddie Dauterive | Chief Operations Officer

# Reliability

## System Average Interruption Duration Index (SAIDI)



## System Average Interruption Frequency Index (SAIFI)



# Outage Management

## Completed

Improvements or system configurations for significant outage events.

- Fine-tuning outage prediction rules
- Automated outage awareness notifications
- A new EOP distribution group for member escalations
- Replaced and improved system for phone outage entry

## Projects launched for completion by EOY 2023:

- Accelerated member messaging capability by status or location (Aug. completion)
- Auto-ping capability to verify outages (Sep.)
- Campaigns to critical load and medical necessity (Dec.)
- Website redesign (Dec.)

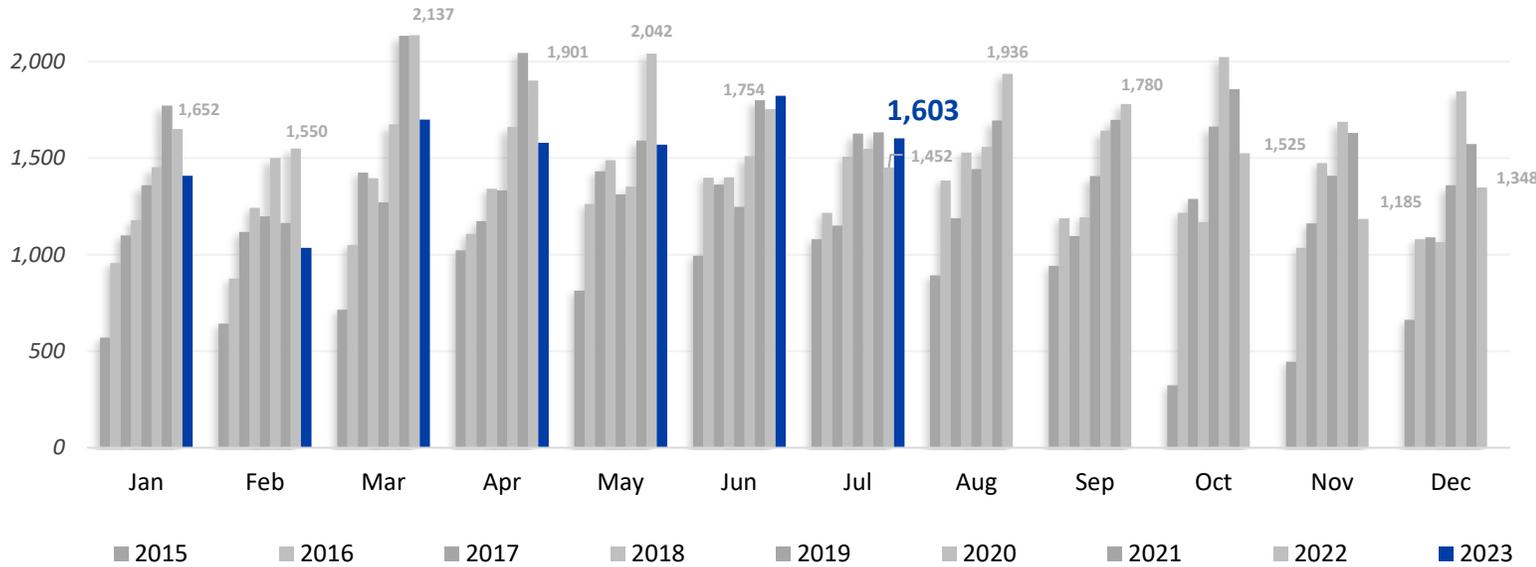
## In Development (for completion EOY 2023)

Workgroups were established to complete:

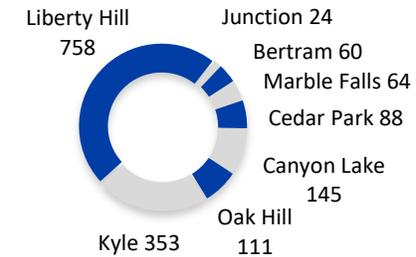
- Outage map improvements – Statement of work approved for a new member-facing platform.
- Mutual aid process – Captured feedback from PEC's recent experiences with receiving and providing mutual aid. Feedback includes steps for lodging, safety briefings, navigation guides, fresh uniform availability, and maintaining hydration. A workgroup is incorporating feedback into a draft document.

# System Growth

## Line Extensions Completed 2019: 16,640 2020: 19,458 2021: 20,592 2022: 20,262 2023 YTD: 10,719



## Line Extensions Per District (1,603)

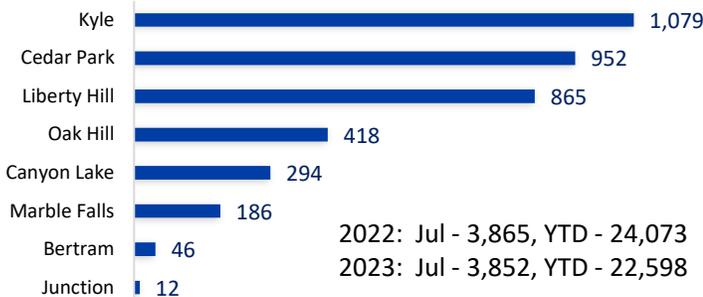


## Miles of Distribution Line:

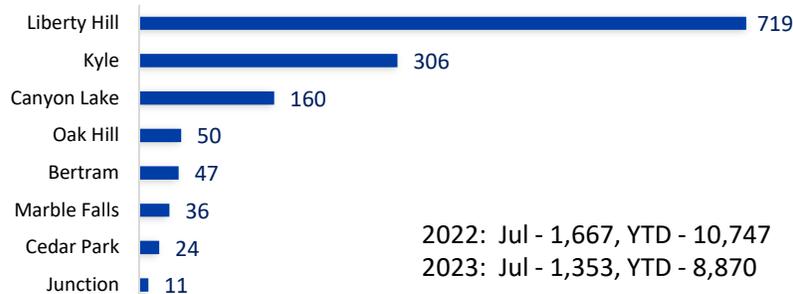
Underground: 7,031 (29%)  
 Overhead: 17,675 (71%)  
 Total: 24,706



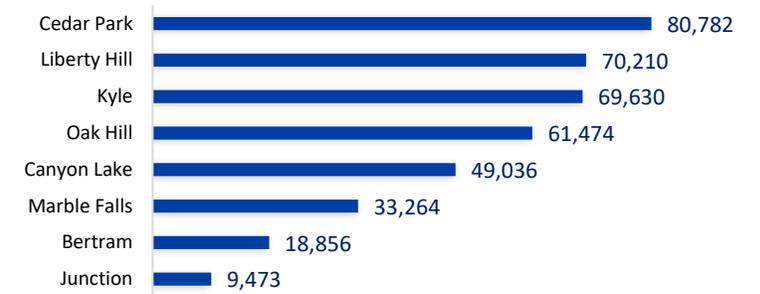
## Member Applications (3,852)



## Meter Growth (1,353)



## Meter Totals (392,725)



# AMI Deployment

## Deliveries and Exchange Schedule

Estimated completion dates dependent on continued fulfillment of meter delivery.

**Meters exchanged since  
deployments restarted:**

**23,918**

**Total RF meters installed  
coop-wide as of August 1:**

**167,500**

**Projected full completion:**

**End of 2<sup>nd</sup> Qtr 2024**

**Projected district completions:**

CP: Aug. 23	MF: Apr. 24
KY: Dec. 23	BT: May. 24
OH: Feb. 24	CL: Jun. 24

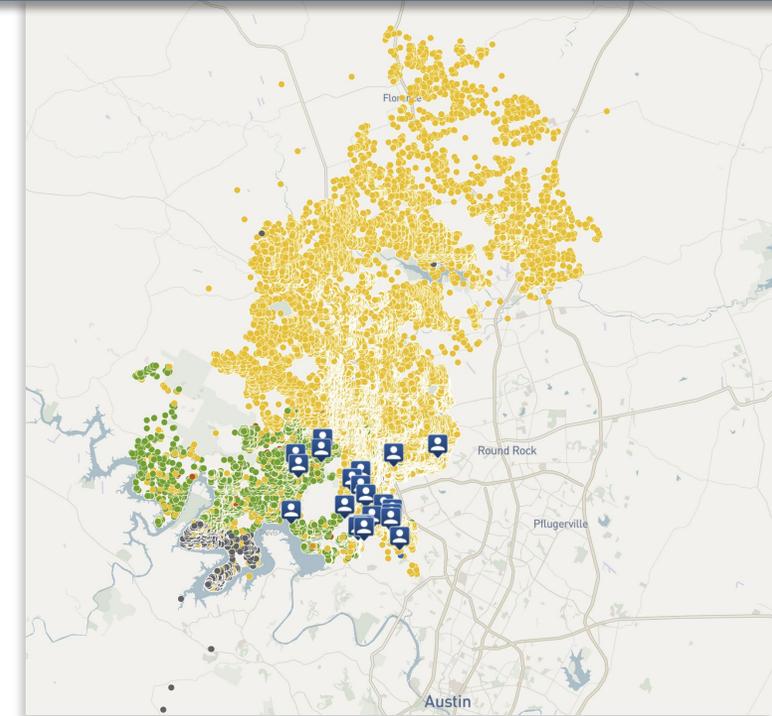
## Member Messaging

Two weeks prior to scheduled exchanges, members receive a series of notifications:

- Letters and emails (2 weeks prior)
- Calls and texts (2 days prior)
- Handouts, hangers, and letters as needed.

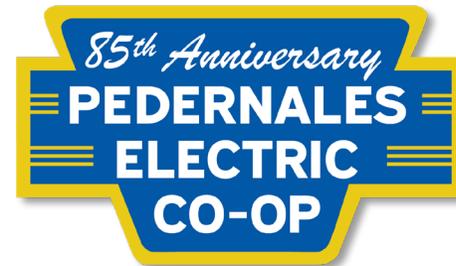
## Correspondence Completed in July:

- Letters: 39,304
- Emails: 33,554
- Calls: 6,576
- SMS: 983



## Exchanges in Cedar Park:

- Placed: 22K
- Remaining: 21K
- Resume Date: May 22, 2023
- Est. Completion: August 2023



# July 2023 Financial Report

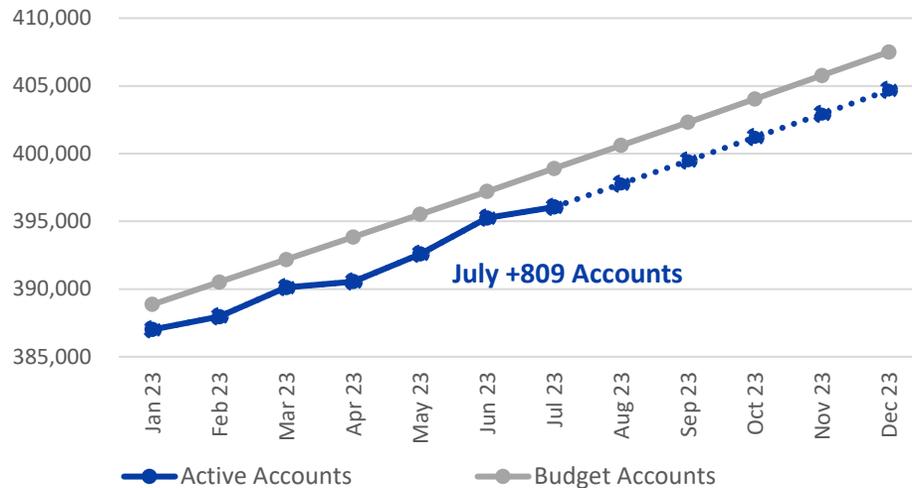
Randy Kruger | Chief Financial Officer

# Finance at a Glance – July 2023

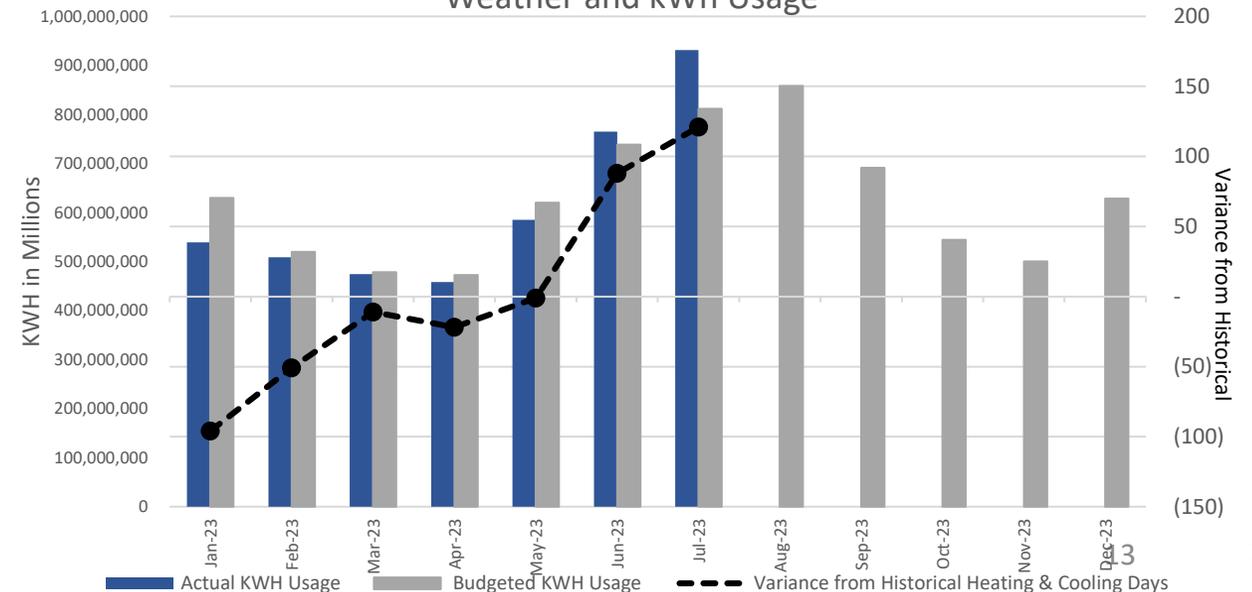
	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>MWH Sold</b>	931,271	811,267	120,005	4,260,835	4,269,826	(8,991)
<b>Gross Margins</b>	\$ 40.3	\$ 34.5	\$ 5.8	\$ 208.9	\$ 203.6	\$ 5.3
<b>Net Margins</b>	\$ 16.1	\$ 7.5	\$ 8.6	\$ 29.9	\$ 20.6	\$ 9.3
<b>EBIDA</b>	\$ 26.9	\$ 19.6	\$ 7.3	\$ 106.7	\$ 108.1	\$ (1.4)
<b>Revenue O(U)</b>	\$ 7.2	\$ 2.8	\$ 4.4	\$ 29.0	\$ 9.0	\$ 20.0
<b>EBIDA(X)</b>	\$ 34.1	\$ 22.5	\$ 11.6	\$ 135.7	\$ 117.1	\$ 18.6
<b>Long-Term Debt</b>				\$ 1,043.3	\$ 1,087.4	\$ 44.1

	Liquidity Coverage
Cash & Marketable Securities	\$ 13,918,541
Short Term Facilities	505,000,000
Less: Short Term Borrowings	19,988,322
Available Liquidity	\$ 498,930,219
<b>Liquidity Coverage (Days)</b>	<b>261</b>

Active Account Growth



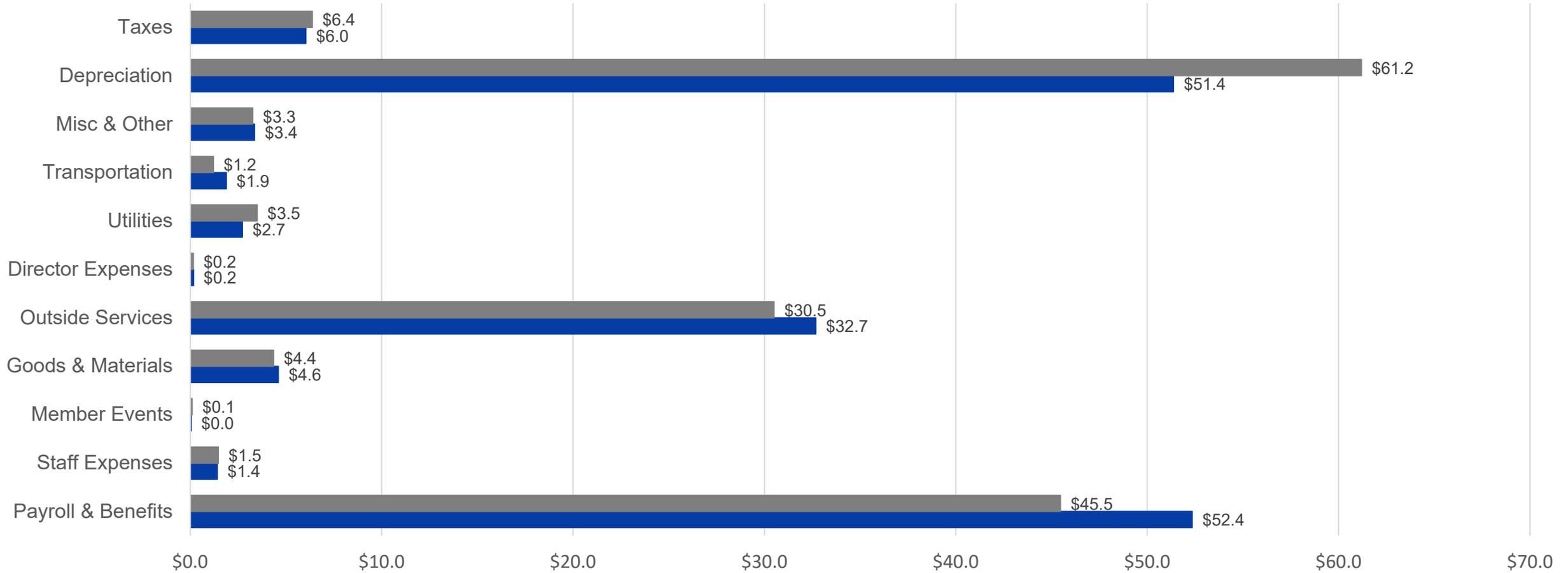
Weather and kWh Usage



Note: Preliminary Financial Results

# Cost of Service (in millions)

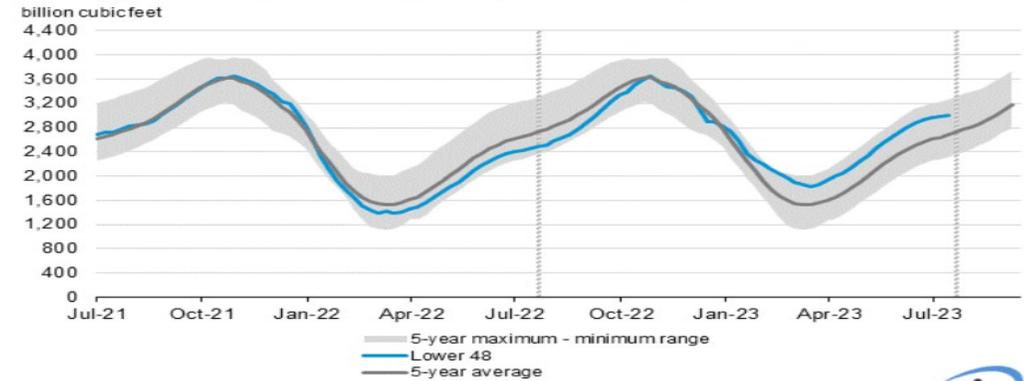
## YTD Actuals vs Budget through July 2023



■ Budget - 2023 ■ Actual - 2023

# Power Market Fundamentals

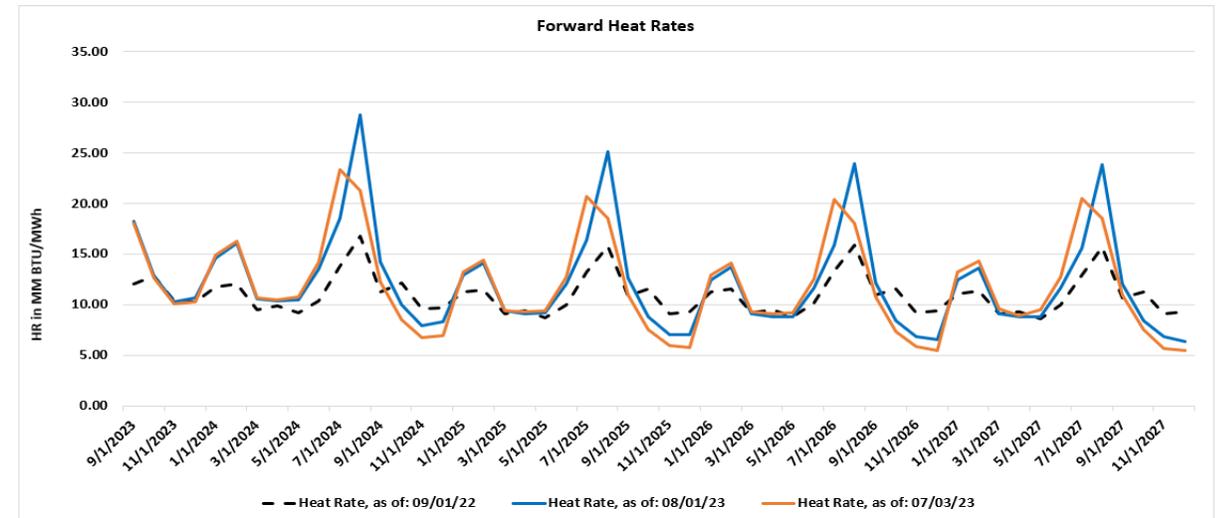
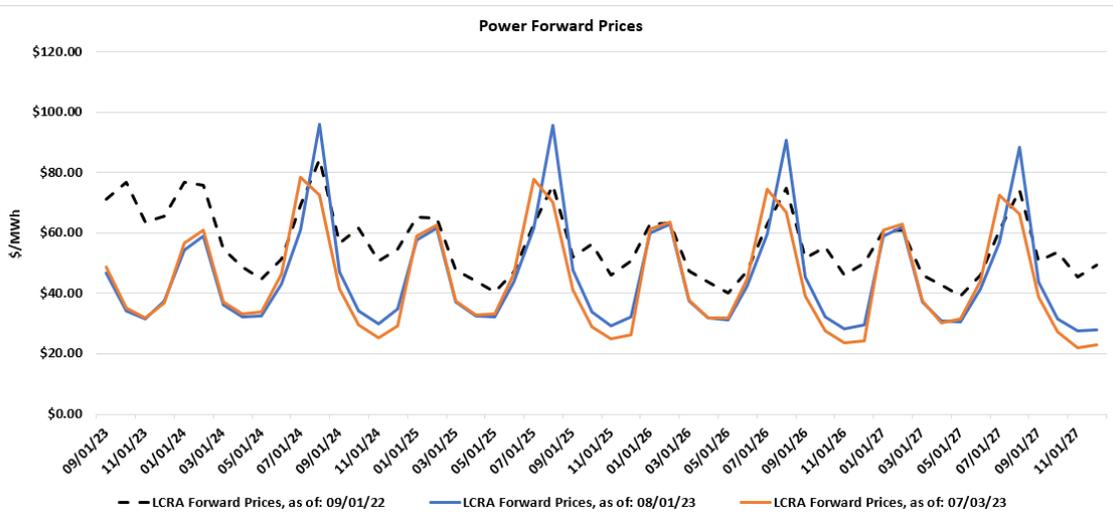
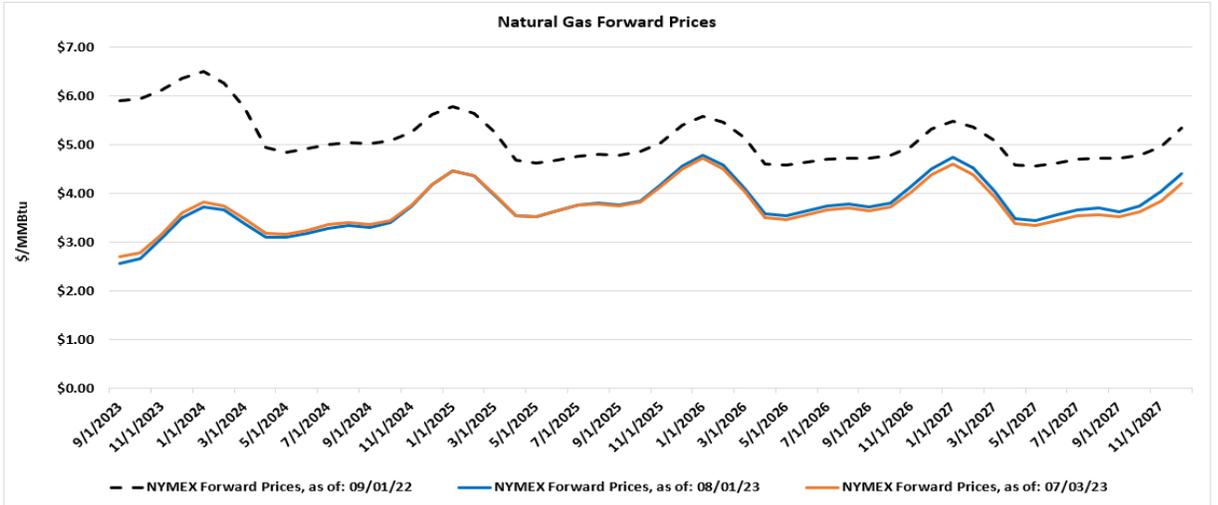
Working gas in underground storage compared with the 5-year maximum and minimum



Data source: U.S. Energy Information Administration  
 Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2018 through 2022. The dashed vertical lines indicate current and year-ago weekly periods.



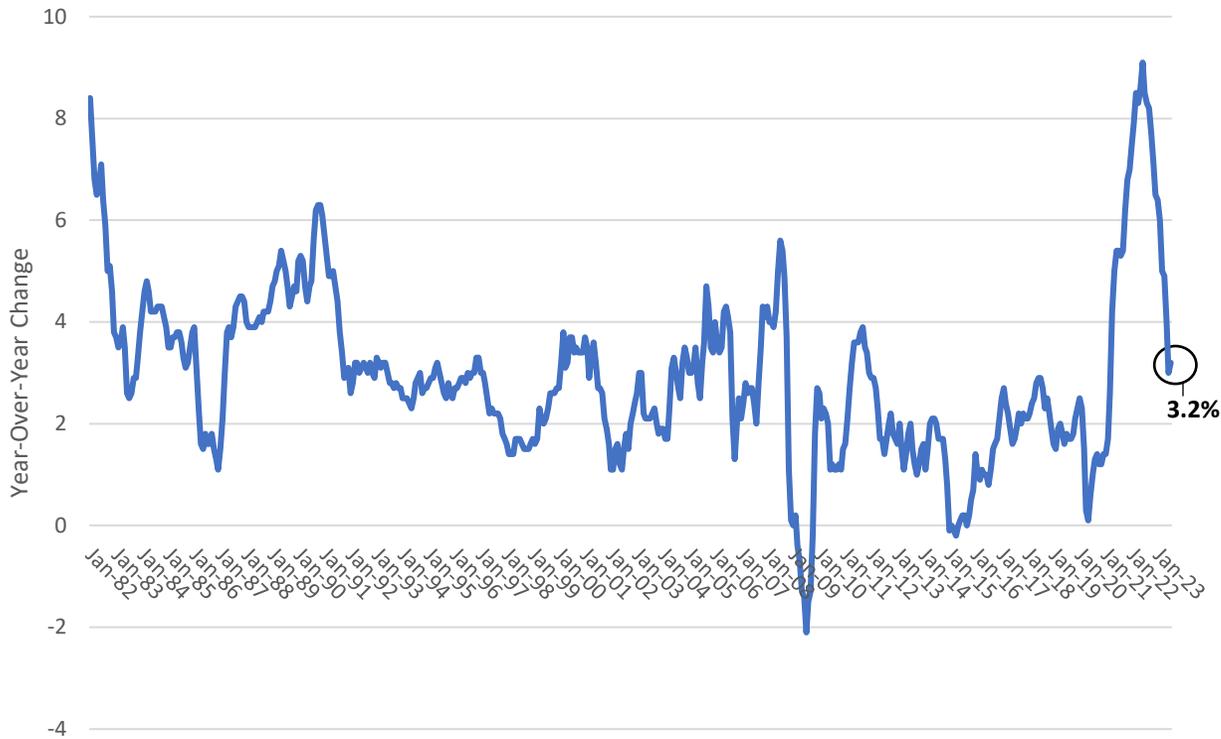
As of August 8



# Inflation

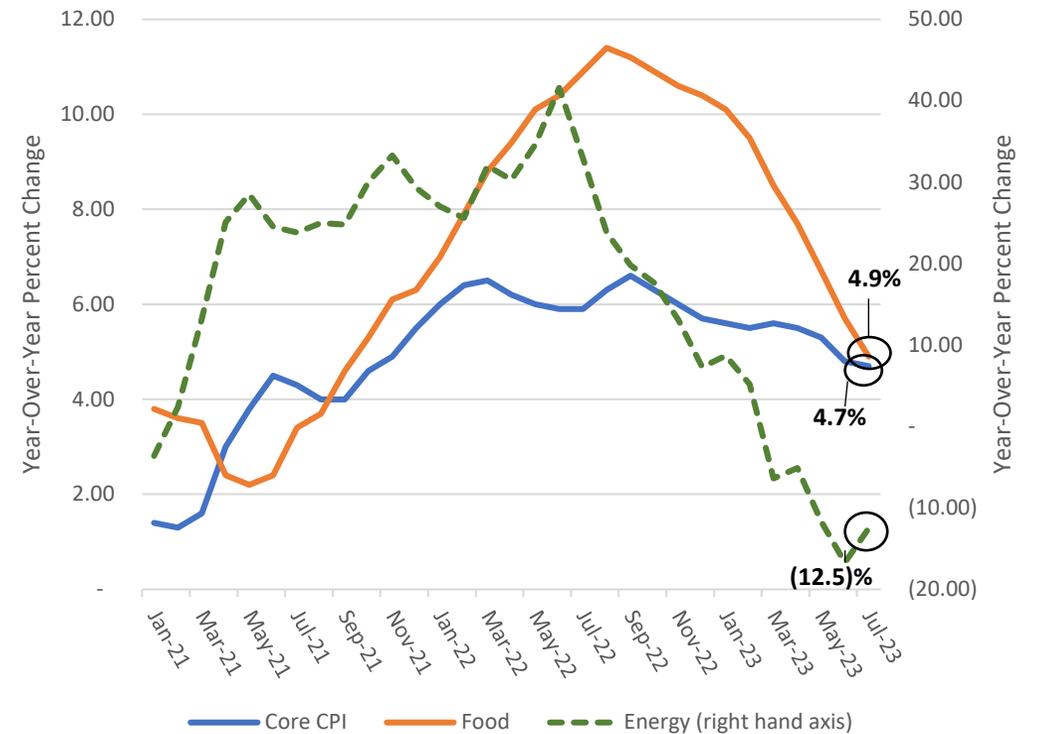
Overall CPI had a slight uptick in July to 3.2% from 3.0%; Core CPI has dropped below the previous range of 5.0%-6.0% to 4.7%; Energy prices decline YoY driven by transportation fuel (-20.3%), fuel oil (-26.5%), and utility gas services (-13.7%) offset by increases to electricity (+3.0%) prices

CPI Jan 1982 to July 2023



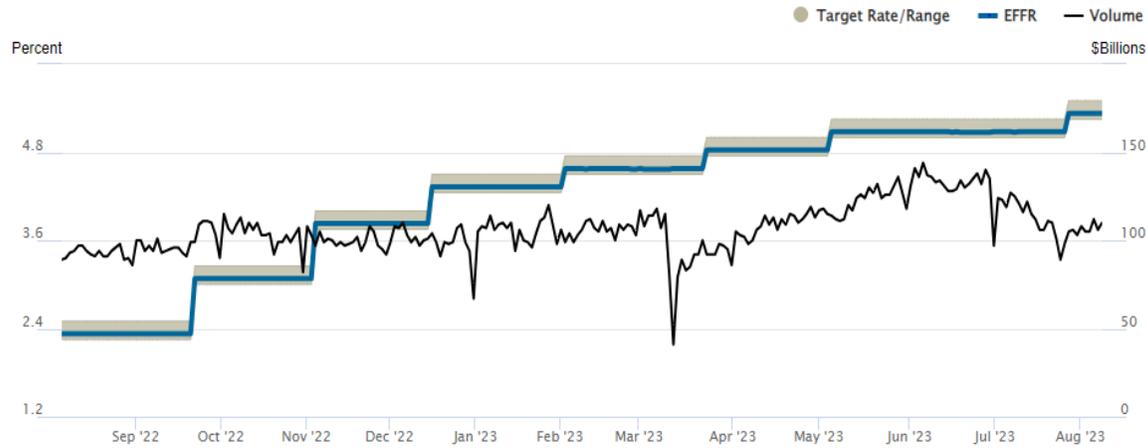
Source: U.S. Bureau of Labor Statistics

Core CPI, Food and Energy Jan 2021 to July 2023



Source: U.S. Bureau of Labor Statistics

## Federal Funds Rate



Source: Federal Reserve Bank of New York 8/8/2023

## 10-Year Note

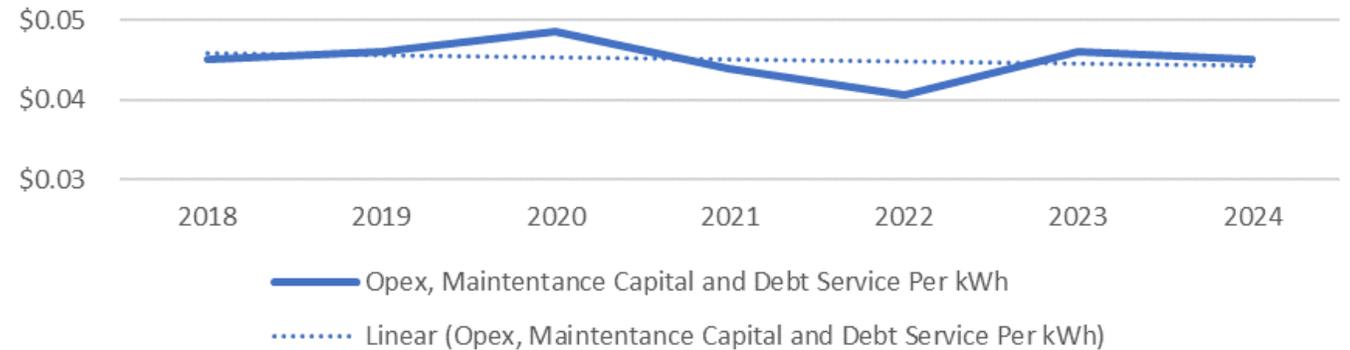


Source: *The Wall Street Journal* 8/10/2023

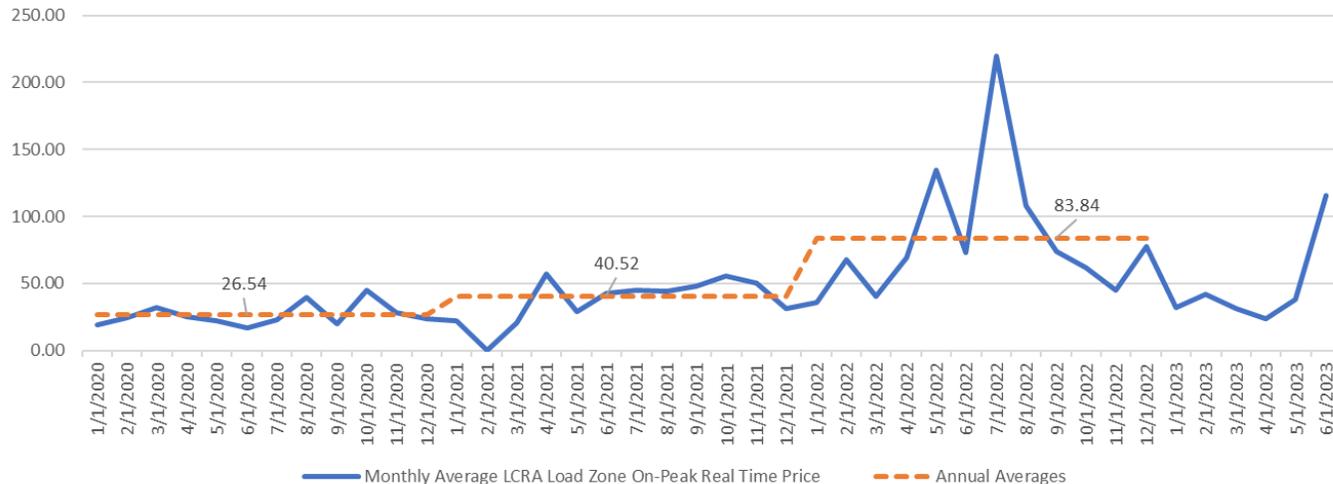
# PEC Cost Structure

- Non-power supply costs account for 45% of bill
- Despite 18% inflation since 2020 these costs have remained flat

Opex, Maintenance Capital and Debt Service Per kWh



ERCOT Power Prices



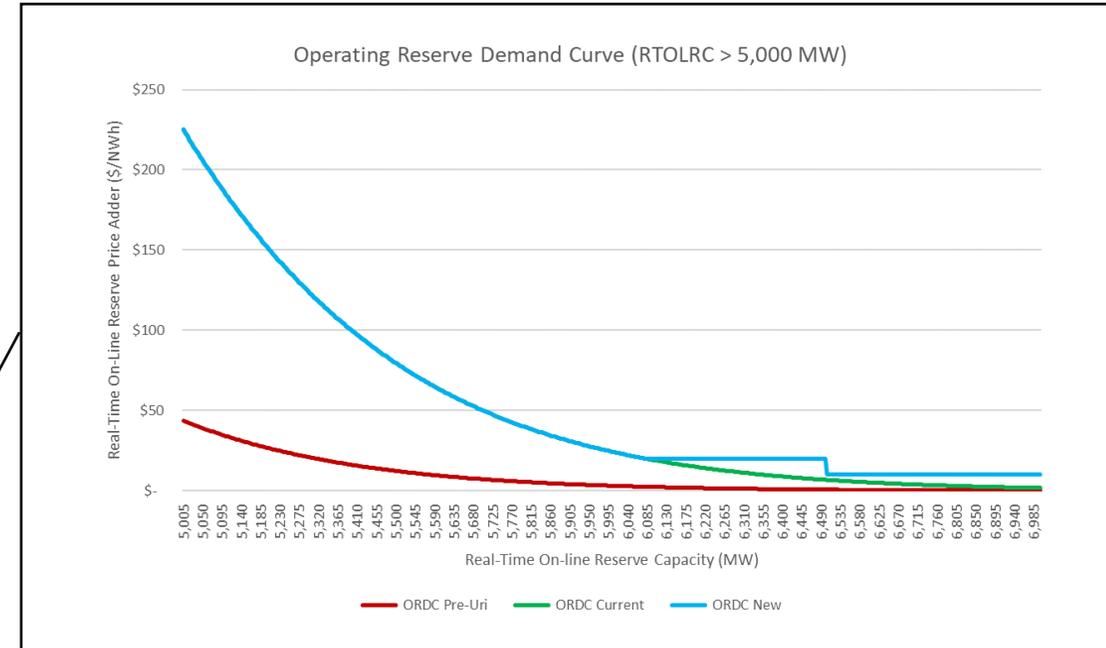
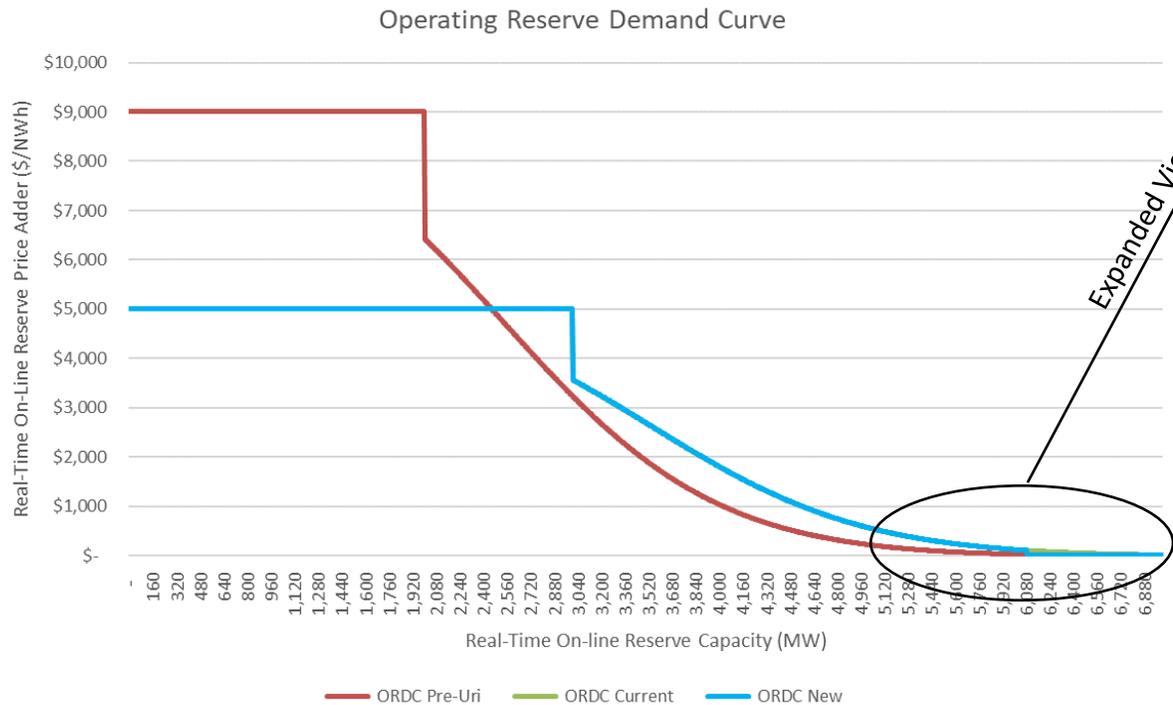
- Power Supply costs account for 40% of bill
- ERCOT power supply costs have dramatically increased
- ERCOT Transmission charges represent remaining 15% of bill

# Operating Reserve Demand Curve Changes

## January 2022 ORDC changes

- lower cap to \$5,000/MWh
- Increase Minimum Contingency Level to 3,000 MW

Impact: increased the cost of energy by \$1.7 billion from the previous year (total Real-Time On-Line Reserve Price adder value in 2022 = \$3.0 billion)

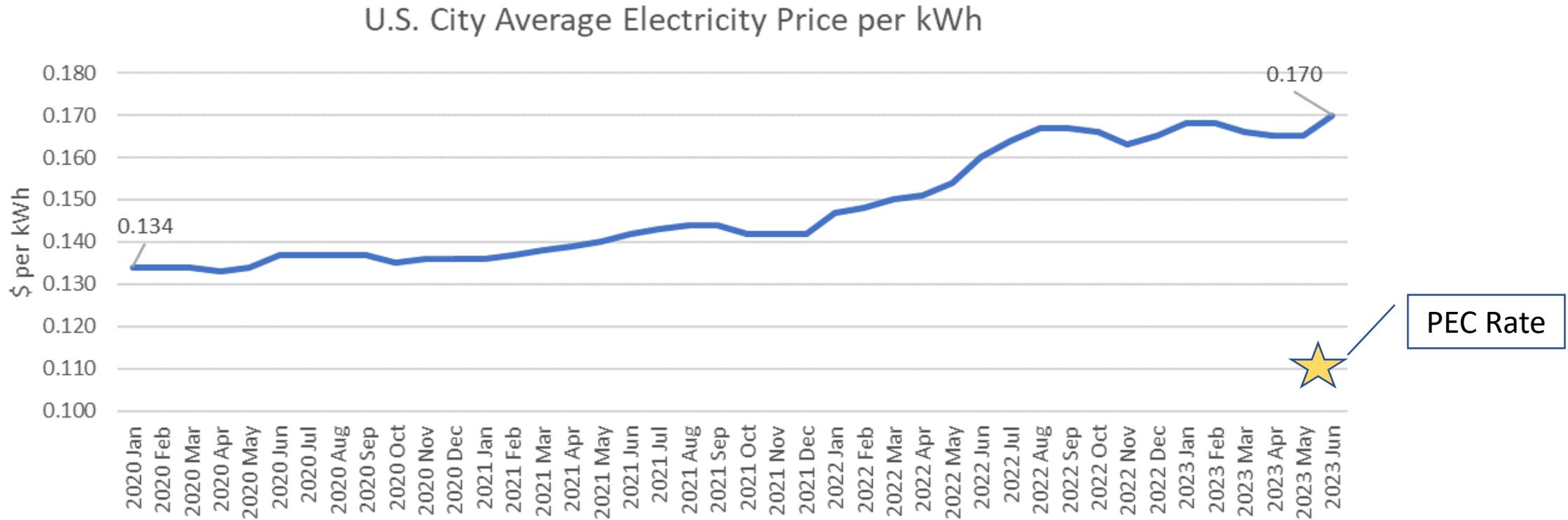


## August 2023 ORDC changes

- Set floor prices
- \$20 for Real-Time On-Line Reserve Capacity ≤ 6,500 MW
- \$10 for Real-Time On-Line Reserve Capacity ≤ 7,000 MW

Impact: estimated to increased the cost of energy by ≈ \$0.5 billion

# U.S. Electric Prices Continue to Increase



Source: U.S. Bureau of Labor Statistics



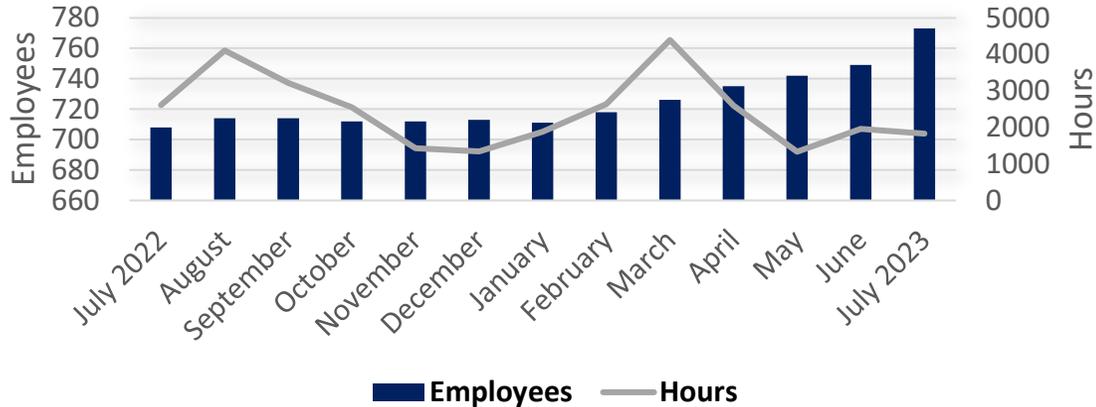
# Workforce and Governance Report

Don Ballard | General Counsel

# July Employee Development

## Employee Training

Hours for employees and leadership overall by month



## Leadership Training

Hours for employees and leadership overall by month



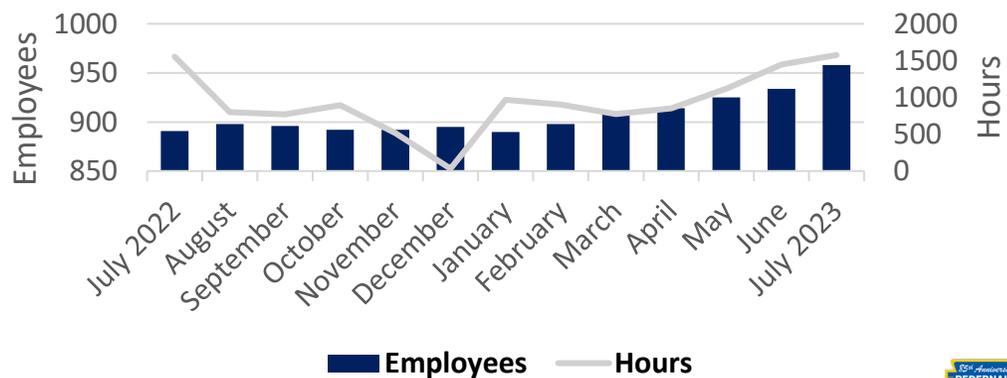
## Apprentices & Journeyworker Training Hours

Hours trained for Apprentices & Journeyworkers per month



## Safety Training Hours

Safety training hours per month



# Safety Team Rolls Out New Safety Manual

- On August 1, the Safety Team debuted a new safety manual for all employees
- Utilizing American Public Power Association (APPA) Safety Manual
- Premier source of information for electric utility safe-work practices
- Revised since last publication to include several new OSHA, NESC, and other federal and industry standards



# Safety Hosts Apprentice Open House



# Employee Development Spotlight



## Dylon Jackson

Dylon is a Lineworker Apprentice 1B with our Substation and Transmission maintenance group. Dylon recently attended training for the distribution side of linework and impressed trainers with his knowledge, excelling through the coursework and averaging above 97% on all his tests.



## Greg Woodlief

Greg is a Lineworker Apprentice 1B in Liberty Hill. Safety trainers have noted that Greg has shown a strong willingness to learn and has helped fellow students in class. Greg has a great attitude in addition to passing all of his tests and competencies

## Department Highlights

- Continued to move more safety instruction online for easy access; available at the first of every month
- Seven apprentices completed their Year 2 instruction in July
- Conducted a Learning to Lead course
- Hosted Crucial Conversations classes with district leadership

## **Federal Energy Regulatory Commission (FERC) Joint Federal-State Task Force on Electric Transmission**

FERC Commissioners, state public utility commissioners, and stakeholders including PEC staff attended a task force in Austin on July 16 to address energy transition requiring the efficient development of new transmission infrastructure.

Topics included:

- Grid Enhancing Technologies presented by the Electric Power Research Institute (EPRI)
- Cost comparisons between new technologies and traditional transmission buildout, and performance-based ratemaking for cost recovery

# Federal NARUC Regulatory Engagements

## **National Association of Regulatory Utility Commissioners (NARUC) - Policy Summit**

More than 1,000 state and federal regulators and their staffs; industry representatives; consumer advocates; and other stakeholders, including PEC staff, attended the meeting in Austin on July 16-19.

Topics included:

- 20-year anniversary and lookback on the 2003 Northeast Blackout and today's readiness including cyber risks and grid black start capabilities
- Thermal generation retirement impacts and the EPA's recent regulations
- The consumer cost of Clean Energy Goals

## **Texas Reliability Entity (Texas RE) - Grid Transformation Workshop**

Texas RE held a special Grid Transformation Workshop with the Public Utility Commission and North American Electric Reliability Corporation (NERC) and stakeholders, including PEC, on July 20 to explore aspects of new grid technology

Topics included:

- Fostering a reliable commissioning and interconnection process
- Securing an increasingly dispersed grid in cyberspace
- Modeling and planning for an increasingly diverse and variable grid



# Community and Member Engagement

JP Urban EVP, External Relations

# Back to School is Brighter with PEC



**PEC  
employees  
collect XXXX  
school  
supplies!**

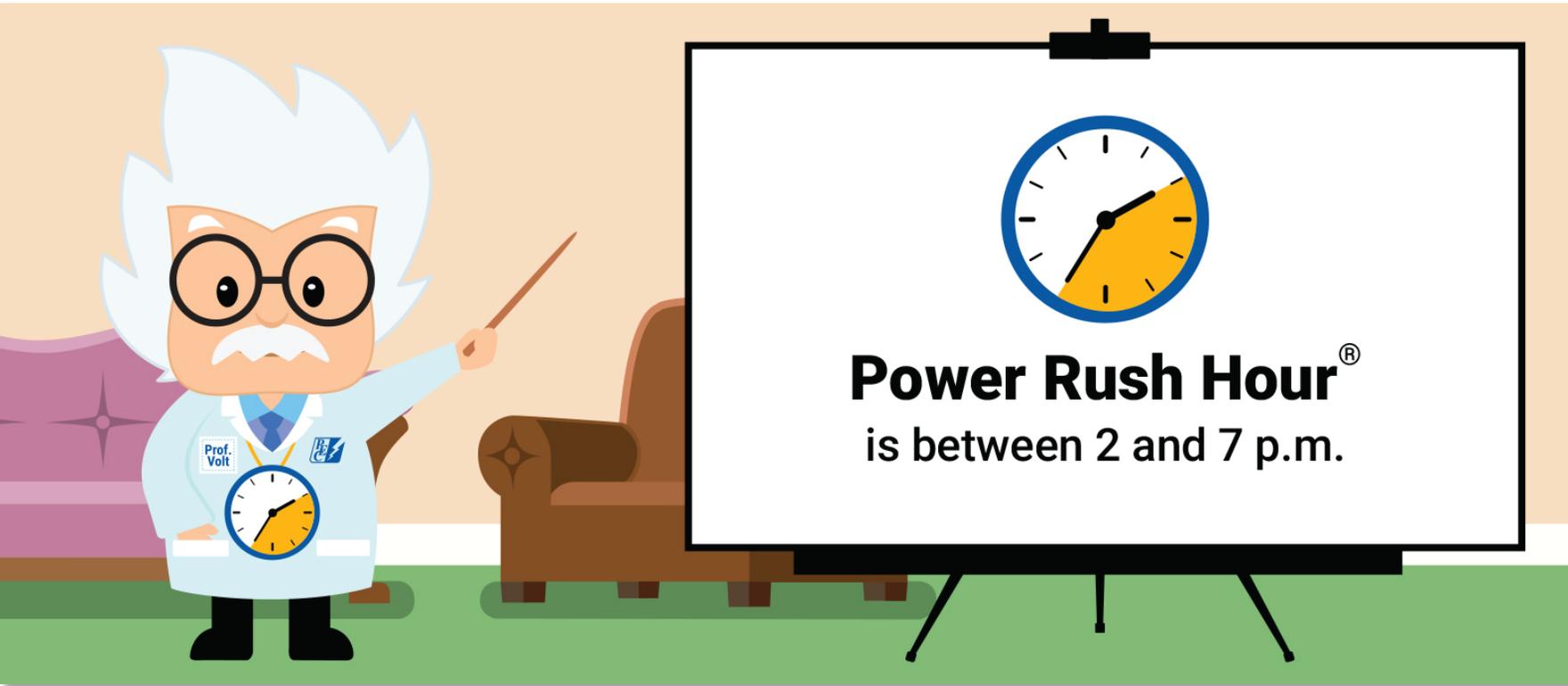


# 85<sup>th</sup> Anniversary Celebrations Continue

- In October, PEC will join with members across the cooperative to celebrate its 85<sup>th</sup> birthday
- In partnership with senior centers and local senior advocacy organizations, PEC will host 85<sup>th</sup> birthday events
  - October 3 — Kyle
  - October 6 — Marble Falls
  - October 10 — Bulverde/Spring Branch
  - October 20 — Johnson City
  - October 25 — Cedar Park
  - October 26 — Dripping Springs



# Power Rush Hour Continues



- PEC continues to educate members and the public through Power Rush Hour
- Demand peaks determine transmission costs for the following year
- By working together, PEC members can help us control future transmission costs



# Appreciation and Look Ahead

# Employee Kudos\*



**Brandon Butts**  
Electrical  
Distribution  
Designer, Lead  
*Liberty Hill*



**David Landry**  
Member Relations  
Field Technician  
*Railyard*



**Julie Behrens**  
Member Relations  
Analyst: Commercial  
& Industrial Accounts  
*Marble Falls*



**Jared Koennecke**  
Energy Services  
Advisor, Senior  
*Technology Center*



**Ashley Rivers**  
Member Relations  
Agent  
*Marble Falls*

\*These were selected from the hundreds of kudos PEC receives each month



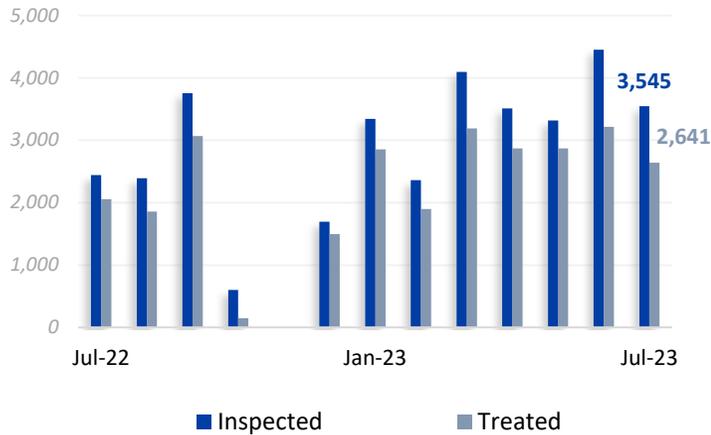
# Appendix Pages From Operations and Financials Reports

# Distribution Maintenance

## Pole Testing & Treatment (PTT)

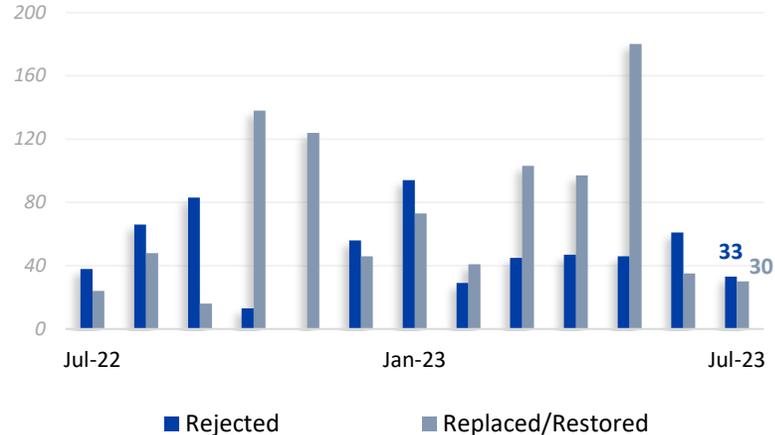
### Poles Inspected & Treated

2022 YTD: Inspections - 28,594 Treated - 22,859  
 2023 YTD: Inspections - 24,630 Treated - 19,540



### Poles Rejected & Replaced/Restored

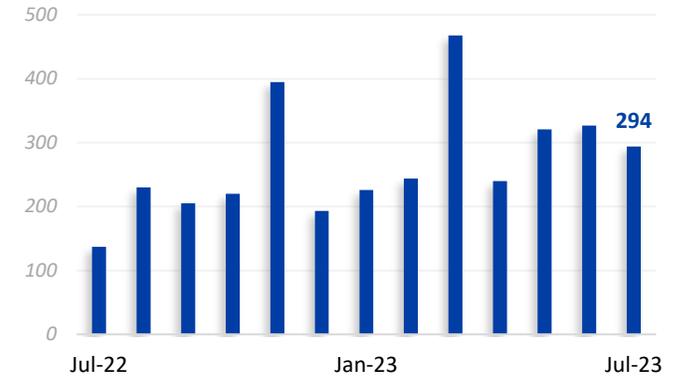
2022 YTD: Rejected - 441, Restored - 311  
 2023 YTD: Rejected - 355, Restored - 559



## Underground Equipment

### URD Pad Restorations

2022 YTD: Restorations - 1,460  
 2023 YTD: Restorations - 2,120



## Vegetation Management

### LiDAR Assessment Audits:

Type	Jan	Feb	Mar	Apr	May	Jun	Jul
C&D WUI 3 Phase	50	239	458	841	133	46	14
C&D WUI 1 Phase	335	331	1,245	806	1,389	1,015	581
C&D Other 3 Phase	49	29	110	122	206	252	143
C&D Other 1 Phase	362	161	95	235	852	600	534
All C&D	796	760	1,908	2,004	2,580	1,915	1,272

### Wildland Urban Interface (WUI):

C&D WUI 3-Phase  
 98% Complete

C&D WUI 1-Phase  
 55% Complete

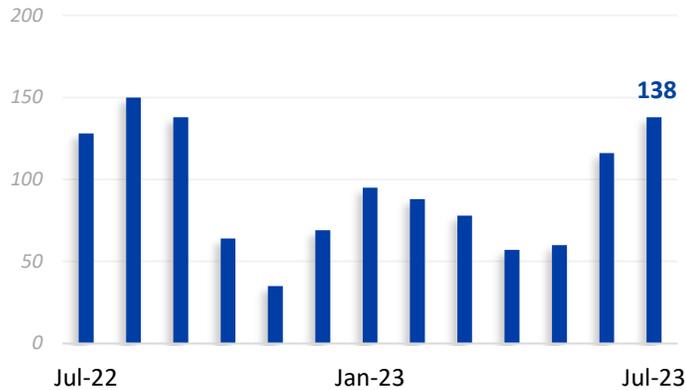


# Distribution Maintenance

## Technical Services

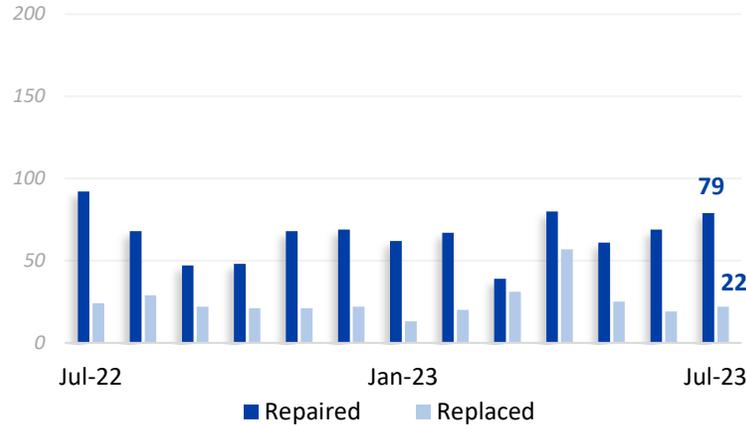
### Equipment Inspections

2022 YTD: 820  
2023 YTD: 632



### Equipment Repaired & Replaced

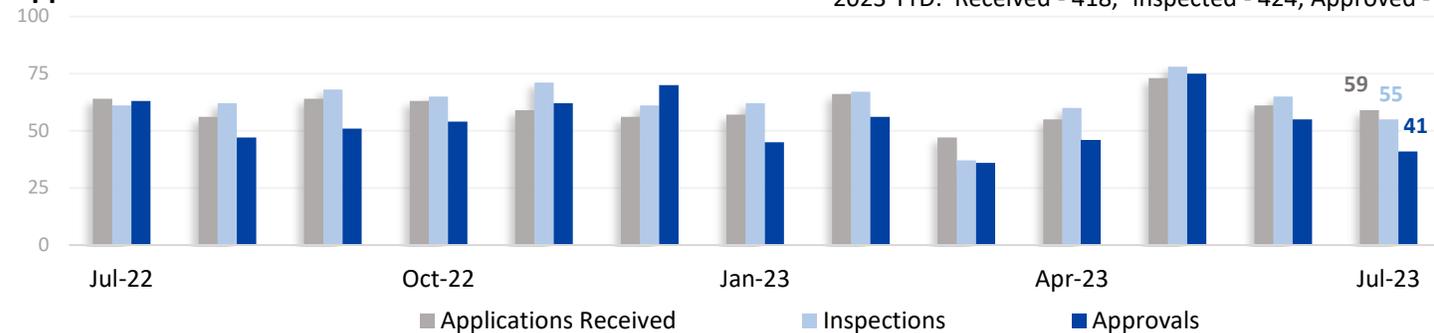
2022 YTD: Repaired - 526, Replaced - 160  
2023 YTD: Repaired - 457, Replaced - 187



## Pole Contacts

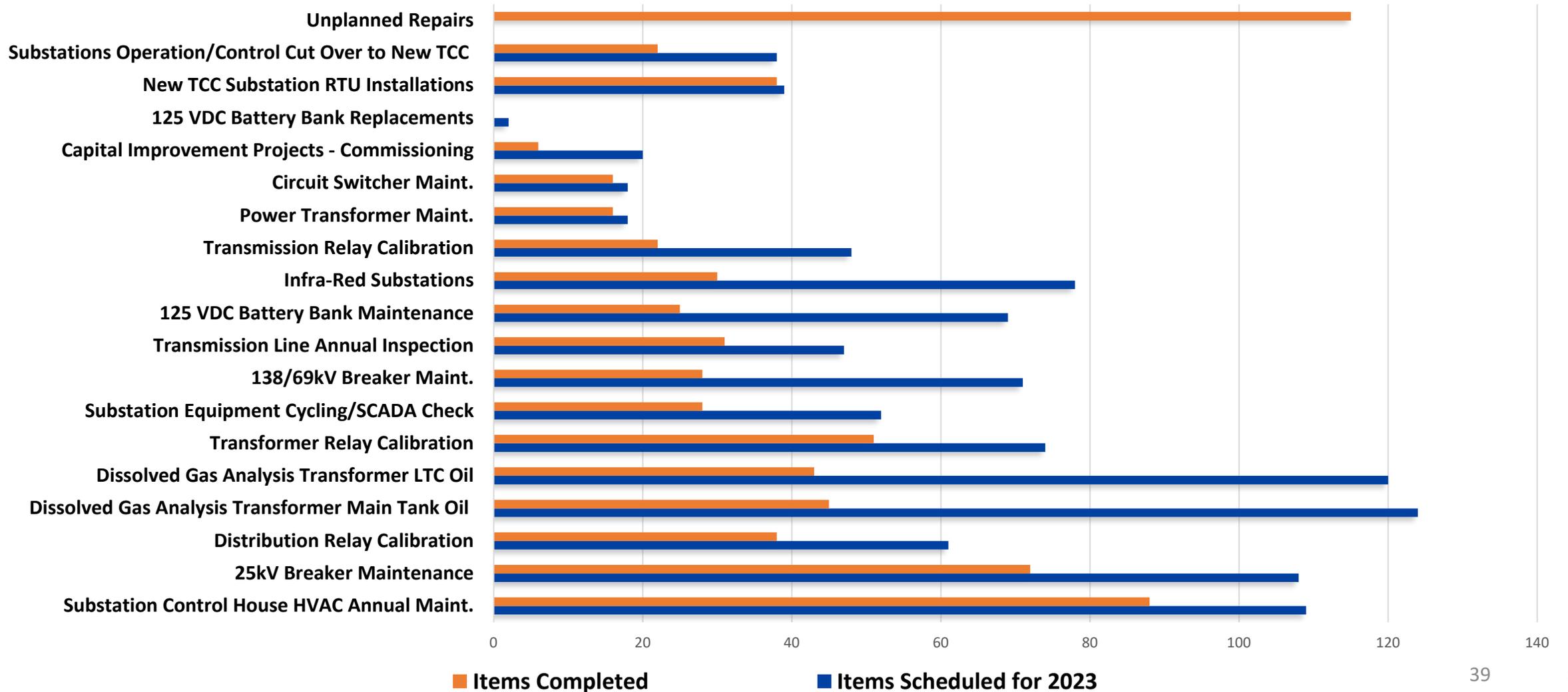
### Applications Received & Permits Issued

2022 YTD: Received - 450, Inspected - 461, Approved - 414  
2023 YTD: Received - 418, Inspected - 424, Approved - 354



# Substation & Transmission Maintenance

## 2023 Itemized Maintenance By Equipment



# Planning Engineering Projects

## Overall Status

Project	Completion Date	Percent Complete
Load Projections Study	Jan 2023	100%
2023 CIP Project Maps	Feb 2023	100%
Capacitor Settings	Mar 2023	100%
4CP Study	Apr 2023	100%
Summer Contingency	May 2023	100%
20 Year Plan	Jun 2023	100%
UFLS Study	Jun 2023	100%
CIP (1st draft) Study	Jul 2023	95%
CIP Study Completed	Sep 2023	0%
Mock UFLS Study	Dec 2023	0%
PEC System Arc Flash Study	Dec 2023	40%
Winter Contingency	Dec 2023	0%
2 Year System Protection Coordination Review	Dec 2023	75%

# Substation Engineering Projects

District	Phase		Start Date	Completion Date	Percent Complete
Cedar Park	Construction	Upgrade bus to double-bus double-breaker	Apr-21	Apr-23	100%
Oak Hill	Construction	Upgrade line protection relay panels	Apr-21	May-24	75%
Junction	Construction	Upgrade transformer and add line breakers	May-21	Oct-23	92%
All Districts	Construction	Upgrade circuit switches and relay protection on three mobile substations	Nov-21	Jun-23	100%
Liberty Hill	Construction	Construct new substation	Dec-21	Dec-23	80%
Liberty Hill	Construction	Add third power transformer	Apr-22	Aug-23	97%
Kyle	Construction	Add third power transformer	May-22	Jul-23	100%
Bertram	Construction	Upgrade power transformer	Jun-22	Sep-23	89%
Cedar Park	Construction	Make improvements to ground grid for reliability	Aug-22	Apr-23	100%
All Districts	Engineering	Develop transmission protection philosophy for protective settings	Jan-23	Sep-23	86%
All Districts	Engineering	Develop configuration for engineering to have access to RTU settings	Nov-22	Dec-23	25%
Oak Hill	Engineering	Upgrade two power transformers	Feb-23	Jan-25	24%
Liberty Hill	Engineering	Upgrade power transformer	Feb-23	May-24	37%
Cedar Park	Engineering	Add third power transformer	Feb-23	Nov-24	22%
Kyle	Engineering	Construct new substation	Feb-23	Nov-24	28%
Liberty Hill	Engineering	Construct new substation	Feb-23	Nov-24	28%
Oak Hill	Engineering	Add feeder breaker and feeder	Mar-23	Nov-23	63%
Oak Hill	Engineering	Add feeder	Mar-23	Nov-23	63%
Bertram	Engineering	Add circuit switcher on power transformer	Mar-23	Dec-23	50%
Kyle/Canyon	Engineering	Add substation capacitor	May-23	May-24	24%
Liberty Hill	Engineering	Add substation capacitor	May-23	May-24	24%

# Transmission Projects

## Overall Status

District	Phase	Description	Completion Date	Percent Complete
Canyon Lake	Complete	Increase clearance to meet USACE requirements	Dec 2022	100%
Marble Falls and Cedar Park	Complete	Reconductor (Phase 1)	Feb 2023	100%
Oak Hill	Complete	Harden transmission line to meet severe weather requirements	Mar 2023	100%
Kyle	Closeout	Harden transmission line to meet severe weather requirements	May 2023	99%
Junction	Engineering	Extend tap to new substation bay	Dec 2023	30%
Liberty Hill	Construction	Harden transmission line to meet severe weather requirements	Dec 2023	60%
Liberty Hill	Procurement	Add Fiber to existing transmission line	Dec 2023	50%
Liberty Hill	Construction	Harden transmission line to meet severe weather requirements	May 2024	50%
Marble Falls and Cedar Park	Procurement	Overhaul (Phase 2)	May 2024	50%
Kyle	Engineering	Transmission line overhaul	Jan 2025	10%
Oak Hill	Procurement	Harden transmission line to meet severe weather requirements	May 2025	40%
Cedar Park	Engineering	Harden transmission line to meet severe weather requirements	May 2025	40%

## Large Project Updates

### Cedar Park

Construction for additional bathrooms underway. Expected completion in December.

### Johnson City

Developing a master plan for the Haley Rd site. Fencing of new property lines nearing completion. Drainage design in progress. Design complete for 7,000 sq. ft. facilities warehouse, permit application submitted to the City of JC. RFP is pending.

### Junction

Contractor has mobilized and is working on fencing and fuel island installation, expect completion by end of August. Design started for remodel of vet clinic into a fleet shop for the district.

### Oak Hill Contact Center

Design phase near completion. Expecting to start construction in first week of September. Targeted completion for January 2024.

### Marble Falls

Finalizing design, resolving encroachments, permit obtained for fencing, RFP is pending.

### Oak Hill Fuel Island

Project awarded, long lead items on order. Permit received and construction started first week of August.



## Facility Management Metrics

PEC Facilities staff complete approx. 400 orders/mo.

	Goal	2023 YTD	2022
<b>Avg Response Time</b>	< 1 day	.32	.54 days
<b>Completed On-Time</b>	> 90%	84%	79%
<b>Proactive Work Orders</b>	> 80%	93%	85%
<b>Satisfaction Rating</b>	> 95%	98.0%	100%



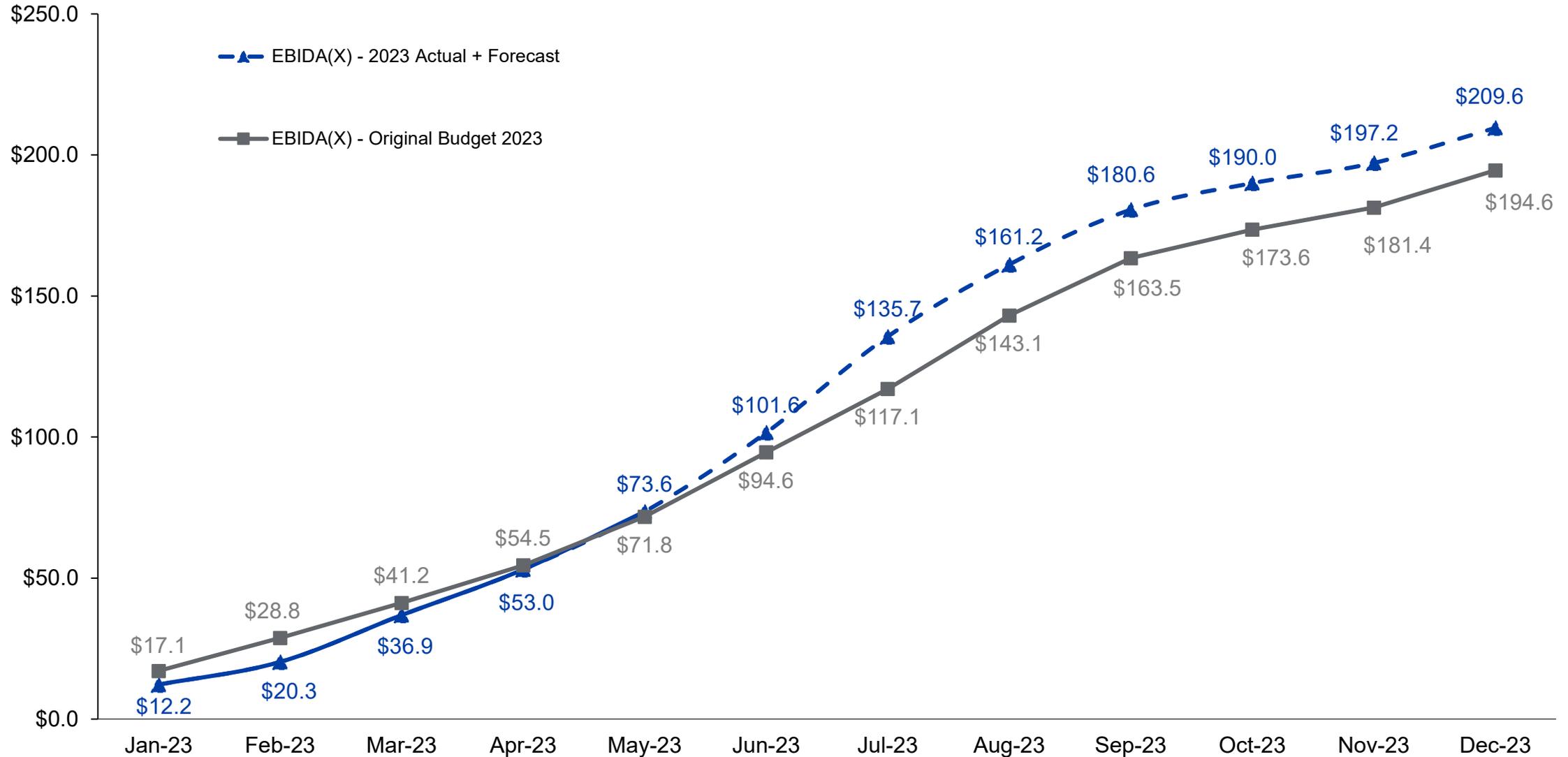
# Appendix to July 2023 Financial Presentation to the Board

Randy Kruger | Chief Financial Officer

# Financial Performance

	MTD			YTD			Annual	2022 to 2023 % Change
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget	
<b>Gross Margins</b>	<b>\$ 40,267,821</b>	<b>\$ 34,535,113</b>	<b>\$ 34,873,596</b>	<b>\$ 208,889,050</b>	<b>\$ 203,580,167</b>	<b>\$ 202,982,463</b>	<b>\$ 352,088,225</b>	2.91%
Operating Expenses Ex. Depreciation	15,903,585	14,902,158	13,345,270	105,300,941	96,418,520	84,125,625	166,658,781	25.17%
Depreciation	7,198,444	8,375,909	8,204,655	51,378,480	61,194,543	62,505,783	108,552,698	
Interest Expense	3,641,361	3,747,117	3,837,388	25,386,765	26,295,701	26,110,398	45,173,483	
Other Income	(2,561,601)	(12,200)	(233,601)	(3,126,141)	(923,727)	(1,573,169)	(5,371,928)	
<b>Net Margins</b>	<b>\$ 16,086,032</b>	<b>\$ 7,522,129</b>	<b>\$ 9,719,884</b>	<b>\$ 29,949,005</b>	<b>\$ 20,595,130</b>	<b>\$ 31,813,826</b>	<b>\$ 37,075,192</b>	
<b>EBIDA</b>	<b>\$ 26,925,837</b>	<b>\$ 19,645,155</b>	<b>\$ 21,761,927</b>	<b>\$ 106,714,250</b>	<b>\$ 108,085,374</b>	<b>\$ 120,430,007</b>	<b>\$ 190,801,372</b>	-11.39%
Over (Under) Collected Revenues	7,153,440	2,818,515	4,485,794	28,977,587	8,988,547	17,265,118	3,749,120	
<b>EBIDA(X)</b>	<b>\$ 34,079,277</b>	<b>\$ 22,463,670</b>	<b>\$ 26,247,721</b>	<b>\$ 135,691,837</b>	<b>\$ 117,073,921</b>	<b>\$ 137,695,125</b>	<b>\$ 194,550,492</b>	
Total Long-Term Debt							\$ 1,114,322,192	
Debt Service							65,690,519	
Debt Service Coverage Ratio							2.96	
Equity as Percent of Assets							39.6%	
Net Plant in Service							\$ 1,985,228,388	
Capital Improvement Spend							\$ 202,863,100	
Energy Sales kWh	931,271,216	811,266,559	897,405,642	4,260,835,295	4,269,826,497	4,516,429,799	7,500,307,799	-5.66%
Energy Purchases kWh	984,139,782	867,326,346	935,578,000	4,553,408,011	4,565,892,576	4,786,839,153	8,019,713,349	-4.88%
Active Accounts				396,064	398,900	378,259	407,506	4.71%

# EBIDA(X) Year to Date (in millions)



# CIP Spend

Construction Category & Description	YTD Actuals	YTD Budget	Variance (Over)/Under Budget	Annual Budget
<b>Distribution</b>				
100 New Lines (Line Extensions for new primary, secondary and service lines)	\$ 7,504,836	\$ -	\$ (7,504,836)	\$ -
200 Tie Lines (new construction between existing lines)	2,477,732	5,971,944	3,494,212	9,608,071
300 Conversions or Line Changes	11,858,340	15,961,477	4,103,137	27,514,015
600 Miscellaneous Distribution Equipment	31,514,296	29,757,463	(1,756,832)	51,775,582
700 Other Distribution Items	178,842	303,333	124,492	520,000
<b>Distribution Total</b>	<b>\$ 53,534,045</b>	<b>\$ 51,994,218</b>	<b>\$ (1,539,827)</b>	<b>\$ 89,417,668</b>
<b>Substation</b>				
400 New Substations, Switching Stations and Meter Points	\$ 6,614,549	\$ 14,234,282	\$ 7,619,733	\$ 20,798,652
500 Substations, Switching Stations and Meter Point changes	18,441,314	18,224,479	(216,835)	24,856,760
<b>Substation Total</b>	<b>\$ 25,055,863</b>	<b>\$ 32,458,762</b>	<b>\$ 7,402,898</b>	<b>\$ 45,655,412</b>
<b>Transmission</b>				
800 New Transmission Lines	\$ 343,079	\$ 1,036,453	\$ 693,375	\$ 2,030,593
1000 Line and Station Changes	3,729,408	6,244,811	2,515,402	19,698,276
<b>Transmission Total</b>	<b>\$ 4,072,487</b>	<b>\$ 7,281,264</b>	<b>\$ 3,208,777</b>	<b>\$ 21,728,869</b>
<b>General Plant</b>				
2000 Facilities	\$ 5,864,034	\$ 18,976,091	\$ 13,112,056	\$ 29,346,563
3000 Information Technology	1,302,010	5,165,957	3,863,947	7,776,588
4000 Tools & Equipment	165,134	290,081	124,947	438,000
5000 Vehicles	1,567,746	4,958,333	3,390,588	8,500,000
<b>Total General Plant</b>	<b>\$ 8,898,924</b>	<b>\$ 29,390,462</b>	<b>\$ 20,491,538</b>	<b>\$ 46,061,151</b>
<b>Accrued WIP</b>	<b>\$ 923,500</b>	<b>\$ -</b>	<b>\$ (923,500)</b>	<b>\$ -</b>
<b>Total Capital Improvement Plan Spend</b>	<b>\$ 92,484,819</b>	<b>\$ 121,124,705</b>	<b>\$ 28,639,886</b>	<b>\$ 202,863,100</b>



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**File #:** 2023-228, **Version:** 1

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## Member Comments

**Submitted By:** Don Ballard

**Department:** General Counsel

**Financial Impact and Cost/Benefit Considerations:** N/A

All Cooperative Members have the right to speak up to 3 minutes limitation or as otherwise directed by the Board, and attend any meetings called by the Board of Directors as defined in the Cooperative's Articles of Incorporation.

Members are also able to watch this meeting by livestream from the PEC website at <https://pec.legistar.com/Calendar.aspx>.

Board meeting dates, agendas and supporting materials are available online <https://pec.legistar.com/Calendar.aspx>.

Members may also provide input by using the following methods. Comments are provided to all board directors.

- Members may submit comments and requests to the board by email or U.S. mail.
- Please direct board meeting email messages to: [PECBoard@peci.com](mailto:PECBoard@peci.com) <<mailto:PECBoard@peci.com>>.

### Articles of Incorporation, Article IX, Section 3, Member Bill of Rights - Open Meetings:

A Member has the right to attend every regular, special, or called meeting of the Board of Directors and its committees, except for executive sessions as allowed by policy or law. All meetings shall be called with proper notice, and any final action, decision, or vote on a matter shall be made in an open meeting.

### Articles of Incorporation, Article IX, Section 5, Member Bill of Rights - Right to Speak:

A Member has the right to speak at every regular, special, or called meeting of the Board of Directors and its committees, except for executive sessions, on any PEC matter at a time designated by the Board.

Members' attendance and their right to speak at all meetings called by the Board of Directors is further outlined in the Decorum Meetings Policy.

### Decorum Meetings Policy, Purpose:

As a democratically-controlled and Member-owned Cooperative, Member participation in Pedernales Electric Cooperative ("Cooperative" or "PEC") affairs is valued and respected and individuals should be allowed to state opinions. Meetings or functions of the Cooperative whether conducted on or off premises shall be conducted in a professional and courteous manner.



## DECORUM POLICY

Effective Date: October 16, 2020

### 1. PURPOSE

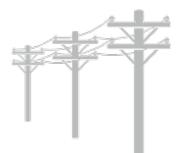
As a democratically-controlled and Member-owned Cooperative, Member participation in Pedernales Electric Cooperative (“Cooperative” or “PEC”) affairs is valued and respected and individuals should be allowed to state opinions. Meetings or functions of the Cooperative, whether conducted on or off premises, shall be conducted in a professional and courteous manner.

### 2. SCOPE

This Policy applies to all Participants at meetings of PEC Board of Directors (“Board”) and any other business meeting or function of the Cooperative, whether on or off PEC premises.

### 3. POLICY AND IMPLEMENTATION

- 3.1. PEC Business Meetings or Functions. Participants in any business meeting or function shall maintain an environment free of abusive, slanderous, or bullying behavior. To protect the security and safety of persons attending such meetings, all Participants shall respect an individual’s physical space and refrain from any form of physical intimidation or abuse. Any behavior demonstrating or threatening violence, attack, or physical abuse is not tolerated.
  - 3.1.1. Meeting Participants may not display placards, bumper stickers, signs, or other campaigning, or political advocacy materials within the premises of a meeting or function, other than those materials displayed on the individual Participants’ body or clothing. Campaigning and electioneering for PEC elections is governed by the Cooperative’s Election Policy and Procedures.
  - 3.1.2. Meeting Participants shall refrain from disruptive or distracting behavior. Personal or character attacks, or improperly sidetracking the attention of other Participants with subject matter that is irrelevant to PEC or unrelated to PEC are examples of disruptive or distracting behavior.
- 3.2. Board Meetings. PEC Board meetings are conducted in accordance with the [Board Meetings Policy](#) and the current edition of Robert’s Rules of Order Newly Revised, as practicable, and “Procedure for Small Boards” (for example, Robert’s Rules of Order Newly Revised § 49 (11th ed. Cambridge, Mass.: Perseus Publishing, 2011)).
  - 3.2.1. All Participants wishing to address the Board during the designated portion of a Board meeting shall sign a registry identifying themselves prior to speaking, and shall open their remarks by stating their name and whether they are a Cooperative Member. Time allotted by the Board for each speaker cannot be shared or allotted with other speakers. The allotted time shall include and commence from the



beginning of the speaker's remarks and include any time that passes during questioning or colloquy between the speaker and the Board. Additional time may be granted to a person by the Board President, or upon a majority vote of the Board.

- 3.2.2. When any Member or Participant wishes to provide written or demonstrative materials to the Board or others, such Member or Participant must, prior to the meeting's start, provide the information to the Board Secretary or their designee for distribution.
- 3.2.3. Participants shall refrain from disruptive or distracting behavior. Personal or character attacks, speaking out of turn, approaching or standing at the Board meeting dais without the permission of the Presiding Officer, or improperly sidetracking the attention of other Participants with subject matter that is irrelevant to PEC or unrelated to PEC are examples of disruptive behavior.

#### 4. DEFINITIONS

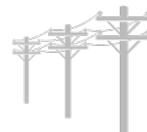
- 4.1. **Participants** – Collectively includes Cooperative Board Directors, employees, Members, or any other attendees at PEC business meetings or functions.

#### 5. PROCEDURE RESPONSIBILITIES

- 5.1. PEC Business Meetings or Functions. Directors and Employees shall maintain order and preserve the decorum of any business meeting or function conducted on or off the Cooperative premises.
- 5.2. Board Meetings. The Presiding Officer shall maintain order and preserve the decorum of Board meetings as provided in this Policy. Each Board Director shall cooperate with the Presiding Officer in preserving order and decorum, and no Participant shall, by conversation or otherwise, delay or interrupt the proceedings of the Board, nor disturb any person while speaking.

#### 6. POLICY ENFORCEMENT

- 6.1. When Member or Participant behavior violates this Policy, is severe, or threatens physical safety or property, the Presiding Officer, CEO, or responsible Cooperative employee may require the Member or Participant to leave the PEC premises, meeting, function, or discussion.
- 6.2. Repeated or Severe Violation
  - 6.2.1. PEC Business Meetings or Functions. Upon repeated or severe violation of this Policy, the Board, CEO, or their designee, may prohibit a person from attendance at PEC meetings, functions, or discussions. The duration of the prohibition shall be based upon the severity and nature of the violation.
  - 6.2.2. Board Meetings. Upon repeated or severe violation of this Policy, the Board may prohibit a person from attendance at PEC Board meetings. The duration of the prohibition shall be based upon the severity and nature of the violation.

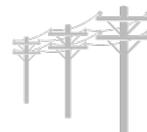


## 7. REFERENCES AND RELATED DOCUMENTS

### [Board Meetings Policy](#)

[Robert's Rules of Order Newly Revised \(11th ed. Cambridge, Mass.: Perseus Publishing, 2011\)](#)

Date adopted:	March 15, 2010
Last reviewed:	October 16, 2020
Review frequency:	Every Five Years
Amendment dates:	September 21, 2015, October 16, 2020
Effective date:	October 16, 2020
Approver:	Board of Directors
Applies to:	All Participants at meetings of the Board of Directors, any other business meeting or function of the Cooperative whether on or off PEC premises.
Administrator:	Board of Directors and CEO
Superseding effect:	This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the Approver may authorize exceptions to this Policy.





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**File #:** 2023-177, **Version:** 1

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**Resolution - Approval of Materials Purchase for Lago Vista to Nameless Transmission Line Project - J Treviño**

**Submitted By:** Jose Treviño

**Department:** Engineering

**Financial Impact and Cost/Benefit Considerations:**

Recommendation to purchase materials with respect to the Lago Vista to Nameless transmission line project.

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative approve the materials purchase for the transmission line project described herein; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is hereby authorized to take such actions as needed to implement this resolution.



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**File #:** 2023-232, **Version:** 1

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**Resolution - Approval of Permit Processing Contract for Pole Contacts - J Treviño**

**Submitted By:** Jose Treviño

**Department:** Engineering

**Financial Impact and Cost/Benefit Considerations:** As discussed in Executive Session

The Cooperative uses a third-party to process pole attachment permits for communication companies. Recommendation to approve a 3-year extension of its agreement with Osmose Utilities Services, Inc.

**BE IT RESOLVED BY THE BOARD OF DIRECTORS**, that the Chief Executive Officer, or designee, is authorized and directed to negotiate, execute, and deliver a contract to provide pole attachment permits as described herein, and

**BE IT FURTHER RESOLVED**, that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.



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File #: 2023-229, Version: 1

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## Resolution - Review and Approval of Board Meetings Policy - Don Ballard

**Submitted By: Mark Beyer**

**Department: Compliance & Regulatory**

**Financial Impact and Cost/Benefit Considerations: N/A**

Pursuant to the Board's Policy on Policies, the Board routinely reviews all Board policies as part of its policy management. Under the Board's approved review schedule, the Board may now consider review of Board Meetings Policy. The purpose of this policy is to provide for the implementation of the PEC Articles of Incorporation and Bylaws in the conduct of all Meetings of the Board of Directors. This Policy addresses how the Board ensures open and transparent meetings with Members, scheduling and calling Meetings as well as the duties for notice, communication, and record keeping.

**BE IT RESOLVED BY THE BOARD OF DIRECTORS** that pursuant to its regular review of Board policies, the Board has reviewed and adopts the Board Meetings Policy, with such changes, if any, as were approved by the Board; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or their designees, are hereby authorized to take all such action as may be necessary to implement this resolution.



## BOARD MEETINGS POLICY

Effective Date: TBD

### POLICY AT A GLANCE

PEC is committed to upholding our Value of **Accountability** by conducting Board meetings and communication with Members in an open and transparent way.

#### Requirements and Responsibilities

#### Schedule and Call of Meetings

- Regular Meetings
- Special Meetings
- Committee Meetings
- Director Participation at Meetings

#### Notice of Meetings

- Posting
- Recess
- Emergency
- Items Not on Agenda
- Procedure of Meetings
- Open Meeting Records
- Exceptions
- Executive Session Procedures



## 1. PURPOSE

The purpose of this Board Meetings Policy (“Policy”) is to implement the Pedernales Electric Cooperative, Inc. (“PEC” or Cooperative”) [Articles of Incorporation](#) and [Bylaws](#) in the conduct of all Meetings of the Board of Directors (“Board”). This Policy addresses how the Board ensures open and transparent meetings with Members, scheduling and calling Meetings as well as the duties for notice, communication, and record keeping.

## 2. SCOPE

This Policy applies to the PEC Board and PEC employees who assist in implementation of Board meetings. This Policy applies to all Board meetings: Regular, Special (called or emergency), or Committees.

## 3. POLICY AND IMPLEMENTATION

### 3.1. Open Meetings Requirement

- 3.1.1. A Member has the right to attend every Meeting of the Board, except for Executive Sessions as allowed by this Policy or by law. All meetings shall be held or called with proper notice, and any final action, decision, or vote on a matter shall be made in an Open Meeting.
- 3.1.2. A Member has the right to speak before the Board at any Regular, Special, or called meeting of the Board and Committees on any PEC matter at a designated time in accordance with the Decorum Policy.

### 3.2. Procedure Responsibilities

- 3.2.1. The Board is responsible for implementation and adherence to this Policy. The Board’s Recording Secretary, parliamentarian, and other designated employees shall assist the Board in performance of its duties within this Policy.
- 3.2.2. The Board establishes the position of Recording Secretary as a role(s) in the Cooperative to prepare Meeting minutes, record actions taken, and otherwise assist the Board with creating and maintaining governing documents and records.

### 3.3. Schedule and Call of Meetings

- 3.3.1. Regular Meetings: The Board meets in Regular Meetings as provided by state law ([Texas Utilities Code § 161.075](#)), the Articles of Incorporation, and the PEC Bylaws. Final action may be taken at any Regular Board Meeting pursuant to this Policy.
- 3.3.2. Special Meetings: Special Meetings (including Emergency Meetings) of the Board may be called according to the PEC Bylaws. Special Meetings are called by the President of the Board, or any four (4) Directors. The Director(s) who initiate(s) the call for the meeting, either the President or the four Directors, shall fix the time, place, and agenda for the Special Board Meeting by providing such instructions in writing to the Board Secretary, who then shall instruct the Board Recording Secretary, their designee, or appropriate Cooperative staff to post notice and take all necessary actions pursuant to this Policy. Final action may be taken at any Special Board meeting pursuant to this Policy.



**3.3.3. Committee Meetings:** The Board may establish Committees and the conduct of Committee Meetings according to state law (Texas Utilities Code § 161.077), Article IV, Section 6 of the Cooperative's Bylaws, this Policy and the [Board Committee Guidelines](#).

**3.3.4. Director Participation at Meetings:** Board meetings shall be arranged such that, if technically feasible, participation by Directors may be (1) in person, (2) telephonic, or (3) electronic. In person attendance is desirable, preferred and encouraged. (See also [Director Compensation Policy](#) regarding director attendance at meetings.)

**3.4. Notice of Meetings**

**3.4.1. Posting**

The Board of Directors shall give written notice of the date, hour, place, and purpose of all Board Meetings. The notice of a Board Meeting must be posted in a place readily accessible to the Members at all times at the earliest possible convenience, but for at least 72 hours before the scheduled time of the Meeting. The Board will post the Board Meeting notice physically at the Cooperative's headquarters and on the Cooperative's web site.

Likewise, Committees shall give notice of the date, hour, place, and purpose of all Committee Meetings by posting such notice on the Cooperative's website at least 72 hours before the scheduled time of the Meeting.

PEC shall provide a copy of any Meeting notice to a Member upon request by the Member.

**3.4.2. Recess**

If the Board or its Committees recess an Open Meeting to the following regular business day, they are not required to post notice of the continued Meeting if the action is taken in good faith and not to circumvent this Section. If an Open Meeting is continued to the following regular business day and, on that following day, the Board or its Committees continue the Meeting to another day, notice must be given as required by this Section of the Meeting continued to that other day.

**3.4.3. Emergency**

In an emergency or when there is an urgent necessity, the notice of a Meeting or the supplemental notice of a subject added as an item to the agenda for a Meeting for which notice has been posted in accordance with this Policy is sufficient if it is posted for at least two hours before the Meeting is convened. An emergency or an urgent necessity exists only if immediate action is required because of a reasonably unforeseeable situation. The Board shall clearly identify the emergency or urgent necessity in the notice or supplemental notice under this Section. The Board Secretary or the Secretary's designee will post the revised agenda on the Cooperative's web site and physically at the Cooperative's headquarters.

**3.4.4. Items Not on Agenda**

If, at a Meeting of the Board or a Committee, a Member of the Cooperative or of the Board inquires about a subject for which notice has not been given as required by this Section, the notice provisions of this Section do not apply to: (1) a statement of specific factual information given in response to the inquiry; or (2) a recitation of existing policy in response to the inquiry. Any deliberation of, or decision about, the



subject of the inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent Meeting.

### **3.4.5. Procedure of Meetings**

**3.4.5.1.** PEC Board Meetings are conducted in accordance with the PEC's [Director's Code of Conduct](#), Decorum Policy, and the current edition of Robert's Rules of Order Newly Revised, as practicable and not inconsistent with the Articles of Incorporation, the Bylaws, or law. Meetings shall utilize the "Procedure for Small Boards" contained within the current edition of Robert's Rules (for example, Robert's Rules of Order Newly Revised § 49 (12th ed. Cambridge, Mass.: Public Affairs, on imprint of Perseus Books, 2020)) whenever it applies to a matter; with the exceptions that (a) any requirement for a second to a motion elsewhere in the rules shall remain in effect, and (b) Directors shall be required to obtain the floor before making motions or speaking.

**3.4.5.2.** The Board may also designate a parliamentarian to advise the presiding officer on matters of procedure. The person serving, from time to time, in the capacity as General Counsel for the Cooperative shall serve as parliamentarian at Board Meetings.

### **3.4.6. Open Meeting Records**

**3.4.6.1.** The Board and its Committees shall prepare and keep minutes or make a recording, or both, of each Open Meeting of the body. The minutes must state the subject of each deliberation; and indicate each vote, order, decision, or other action taken. The minutes or recordings of an Open Meeting shall be available for inspection and copying by Members on request to the Board Secretary, or the Secretary's designee. Upon prior request by any Director, the Chief Executive Officer ("CEO") shall provide a recording of any Committee Meeting to that Director. Notwithstanding the Cooperative's Records Management Policy and Retention Schedule, any recording of a Committee Meeting shall be retained for one year after the Committee Meeting.

**3.4.6.2.** A Member in attendance may record all or any part of an Open Meeting by means of a tape recorder, video camera, or other means of audio or visual reproduction. The Board and its Committees may enforce reasonable rules to maintain order at a Meeting, including rules relating to the location of recording equipment and the manner in which a recording is conducted if applicable. A rule adopted by the Board may not prevent or unreasonably impair a Member from exercising a right granted in this Section.

### **3.4.7. Exceptions to Requirement That Meetings Be Open:**

**3.4.7.1.** Executive Sessions may be held as allowed by law or the Articles of Incorporation. In Executive Session, the Board or its Committees may conduct a private consultation with its attorney, invited staff, consultants, or any other person whose presence the Board deems necessary. In the event of a dispute regarding participation in any Executive Session of any non-director attendee, a majority vote of the Board shall determine participation eligibility of attendees. Executive Sessions may be held for the following reasons:

**3.4.7.1.1. Legal Matters:** The Board may discuss legal matters or seek the advice of their attorney on legal matters. Legal consultation includes,



but is not limited to, advice about anticipated or pending litigation, settlement offers, legislation, or concerns reported under the Cooperative's [Ethics and Compliance Reporting Policy](#), and interpretations of the law.

- 3.4.7.1.2. Real Estate:** The Board or its Committees may deliberate the purchase, use, exchange, lease, or value of real property if deliberation in an Open Meeting could have a detrimental effect on the Cooperative.
- 3.4.7.1.3. Contracts:** The Board or its Committees may deliberate business and financial issues or terms relating to a contract being negotiated if deliberation in an Open Meeting would have a detrimental effect on the position of the Cooperative.
- 3.4.7.1.4. Personnel:** The Board or its Committees may deliberate the Cooperative's personnel issues or hear a complaint or charge against a Director or Cooperative employee or consultant. However, this subsection does not apply if the Director or employee who is the subject of the deliberation or hearing requests a public hearing.
- 3.4.7.1.5. Competitive Matters:** The Board or its Committees may deliberate "Competitive Matters," meaning commercial information and utility-related matters that the Board, in good faith, determines are related to the Cooperative's competitive activity that would, if disclosed, give an advantage to individuals or entities who have sought or are likely to seek business or the dissolution, takeover or sale of PEC ("Competitors") or would adversely affect PEC's ability to competitively purchase goods and services.
- 3.4.7.1.6. Safety and Security:** The Board or its Committees may conduct an Executive Session to discuss safety and security issues relating to physical infrastructure or facilities of the electrical system including, but not limited to, personnel, devices, audits, internal controls, and cyber or other electronic security.

#### **3.4.8. Executive Session Procedures**

The procedures for an executive session are detailed in the attached Appendix A, Executive Session Meeting Procedures.

## **4. DEFINITIONS**

- 4.1. Board Meeting** – A deliberation between a quorum of the Board or between a quorum of the Board and another person, during which Cooperative business or policy over which the Board has responsibility is discussed or considered or during which the Board takes formal action. Board Meetings are either Regular or Special Meetings. The term "Board Meeting" includes attendance at a Committee Meeting by a quorum of the Board. The terms "Board Meeting" and "Committee Meeting" do not include the gathering of a quorum of the Board or a Committee at a social function, or the attendance by such a quorum at a regional, state, or national convention or workshop, ceremonial event, or press conference, if formal action is not taken and any discussion of PEC business is incidental to the social function, convention, workshop, ceremonial event, or press conference.



Notwithstanding the foregoing, a Membership Meeting as defined in the Bylaws shall not be considered a Board Meeting or Committee Meeting. A Board Member's telephonic attendance at a Meeting shall count towards a quorum.

- 4.2. **Committee** – A portion of Members of the Board or a gathering of Members of the Board that is formally designated and established by the Board as a Committee of the Board.
- 4.3. **Committee Meeting** – A deliberation between a quorum of a Committee or between a quorum of the Committee and another person during which Cooperative business or policy over which the Committee has subject-matter jurisdiction is discussed or considered, or during which the Committee takes a formal vote. A quorum of a Committee shall be a majority of the Committee.
- 4.4. **Executive Session** – A noticed Meeting announced and designated exception according to this Policy and in which Members may not attend.
- 4.5. **Meeting** – A Board Meeting whether Regular, Special (called or emergency) or Committee Meeting.
- 4.6. **Open Meeting** – A noticed Meeting open to attendance by Members of the Cooperative.

## 5. POLICY ENFORCEMENT

- 5.1. The Board is responsible for enforcing and monitoring the implementation of this Policy. Any violations of this Policy are addressed by the Board.
- 5.2. Open Meetings Training. Each Director shall complete a course of training regarding the responsibilities of the Board and its Members under this Policy, not later than the 180th day after the date the Director assumes responsibilities as a Member of the Board. The CEO and any staff Member recommended by the CEO shall also complete the training, no later than the 180th day after their date of hire with the Cooperative. The General Counsel shall ensure that the training is made available. The failure of one or more Members of the Board to complete the training required by this Section does not affect the validity of an action taken by the Board or a vote taken by a Committee.

## 6. REFERENCES AND RELATED DOCUMENTS

[PEC Articles of Incorporation](#)

[PEC Bylaws](#)

[Texas Utilities Code §§ 161.075; 161.077](#)

[Board Committee Guidelines](#)

[Board of Directors Compensation Policy](#)

[Decorum Policy](#)

[Director's Code of Conduct](#)

[Ethics and Compliance Reporting Policy](#)

Robert's Rules of Order Newly Revised § 49 (12th ed. Cambridge, Mass.: Public Affairs, on imprint of Perseus Books, 2020)



Date adopted:	August 15, 2016
Last reviewed:	TBD
Review frequency:	Every four years
Amendment dates:	August 15, 2016; May 17, 2019; TBD
Effective date:	TBD
Approver:	Board of Directors
Applies to:	Board of Directors and all participants or employees responsible for administration of PEC Meetings
Administrator:	General Counsel
Superseding effect:	This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the Approver may authorize exceptions to this Policy.



# APPENDIX A

## EXECUTIVE SESSION MEETING PROCEDURES

### 1. NOTICE OF EXECUTIVE SESSION

- 1.1. Before an Executive Session is held, the Board of Directors or its Committees will first convene in an Open Meeting for which notice has been given as provided by this Section and during which the presiding Director announces that an Executive Session will be held and identifies the subsection(s) under which an Executive Session is held.
- 1.2. A final action, decision, or vote on a matter deliberated in an Executive Session may only be made in an Open Meeting that is held in compliance with the notice provisions of the PEC Meeting Policy.

### 2. RECORDS OF EXECUTIVE SESSION

- 2.1. The Board Secretary, or the Secretary's designee, will make and keep a written record of the proceedings of each Executive Session of a Board Meeting.
- 2.2. The record will include a statement of the subject matter of each deliberation, and an announcement by the presiding Director at the beginning and the end of the Board Meeting indicating the date and time. Notwithstanding the Cooperative's Records Management Policy and Retention Schedule, the record will be preserved for at least six years after the Board Meeting.
- 2.3. No attendee of Executive Session shall be allowed to make any audio, pictorial, or video recording of any portion of an executive session.
- 2.4. No Director shall be allowed to duplicate, transmit, or distribute any Executive Session materials.
- 2.5. The Board Secretary or the Secretary's Designee will be the Custodian of any materials distributed during Executive Session and shall be responsible for collecting the materials at the end of the session. The Secretary, or the Secretary's Designee, shall ensure that duplicate copies are destroyed and original documents are maintained in accordance with the Cooperative's Record Management Policy.
- 2.6. Upon request, and with advanced scheduling coordinated through staff and with notification provided to all Directors, any Director may inspect onsite at the Cooperative's Headquarters, original documents or electronic records from Executive Session archives but in no case shall a Director be allowed to photograph, video, duplicate, transmit, record, distribute, or otherwise image or reproduce any Executive Session materials. All Executive Session materials shall remain in the control of the Custodian.
- 2.7. In the event that Executive Session materials are provided in advance of Executive Session meetings via email or hardcopy such documentation shall be noted as "confidential" and may not be duplicated, recorded, transmitted, emailed, or otherwise distributed.
- 2.8. Nothing in this policy shall limit the ability of the Board by majority vote to release documents or materials, in part or in whole, previously determined to be confidential.





## BOARD MEETINGS POLICY

Effective Date: ~~May 17, 2019~~TBD

### POLICY AT A GLANCE

PEC is committed to upholding our Value of **Accountability** by conducting Board meetings and communication with Members in an open and transparent way.

#### Requirements and Responsibilities

#### Schedule and Call of Meetings

- Regular Meetings
- Special Meetings
- Committee Meetings
- Director Participation at Meetings

#### Notice of Meetings

- Posting
- Recess
- Emergency
- Items Not on Agenda
- Procedure of Meetings
- Open Meeting Records
- Exceptions
- Executive Session Procedures



## 1. PURPOSE

The ~~purpose of this Board Meetings Policy (“Policy”) is PEC Board of Directors establishes this Policy to provide for the~~ implementation of the Pedernales Electric Cooperative, Inc. (“PEC” or Cooperative) Articles of Incorporation and Bylaws in the conduct of all Meetings of the Board of Directors (“Board”). This Policy addresses how the Board ensures open and transparent meetings with Members, scheduling and calling Meetings as well as the duties for notice, communication, and record keeping.

## 2. SCOPE

This Policy applies to the PEC Board ~~of Directors~~ and PEC employees who assist in implementation of Board meetings. This Policy applies to all Board meetings: Regular, Special (called or emergency), or Committees.

## 3. POLICY AND IMPLEMENTATION

### 3.1. Open Meetings Requirement

- 3.1.1. A Member has the right to attend every Meeting of the Board, except for Executive Sessions as allowed by this Policy or by law. All meetings shall be held or called with proper notice, and any final action, decision, or vote on a matter shall be made in an Open Meeting.
- 3.1.2. A Member has the right to speak before the Board ~~of Directors~~ at any Regular, Special, or called meeting of the Board and Committees on any PEC matter at a designated time in accordance with the Decorum Policy.

### 3.2. Procedure Responsibilities

- 3.2.1. The Board of Directors is responsible for implementation and adherence to this Policy. The Board’s Recording Secretary, parliamentarian, and other designated employees shall assist the Board in performance of its duties within this Policy.
- 3.2.2. Board Recording Secretary. The Board establishes the position of Recording Secretary as an employee a role(s) in of the Cooperative to prepare Meeting minutes, record actions taken, and otherwise assist the Board with creating and maintaining governing documents and records.

### 3.2.3.3. Schedule and Call of Meetings

- 3.2.1.3.3.1. Regular Meetings: The Board ~~of Directors~~ meets in Regular Meetings as provided by state law (Texas Utilities Code § 161.075), the Articles of Incorporation, and the PEC Bylaws. Final action may be taken at any Regular Board Meeting pursuant to this Policy.
- 3.2.2.3.3.2. Special Meetings: Special Meetings (including Emergency Meetings) of the Board may be called according to the PEC Bylaws. Special Meetings are called by the President of the Board, or any four (4) Directors. The Director(s) who initiate(s) the call for the meeting, either the President or the four Directors, shall fix the time, place, and agenda for the Special Board Meeting, by providing such instructions in writing to the Board Secretary ~~/Treasurer~~, who then shall instruct the Board Recording Secretary, their designee, or appropriate Cooperative staff, to post notice



and take all necessary actions pursuant to this Policy. Final action may be taken at any Special Board meeting pursuant to this Policy.

**3.2.3.3.3.** Committee Meetings: The Board ~~of Directors~~ may establish Committees and the conduct of Committee Meetings according to state law (Texas Utilities Code § 161.077), Article IV, Section 6 of the Cooperative's Bylaws, this Policy and the Board Committee Guidelines.

**3.2.4.3.3.4.** Director Participation at Meetings: Board meetings shall be arranged such that, if technically feasible, participation by Directors may be (1) in person, (2) telephonic, or (3) electronic. In person attendance is desirable, preferred and encouraged. (See also Director Compensation Policy regarding director attendance at meetings.)

#### **3.3.3.4.** Notice of Meetings

##### **3.3.1.3.4.1.** Posting

The Board of Directors shall give written notice of the date, hour, place, and purpose of all Board Meetings. The notice of a Board Meeting must be posted in a place readily accessible to the Mmembers at all times at the earliest possible convenience, but for at least 72 hours before the scheduled time of the Meeting. The Board ~~of Directors~~ will post the Board Meeting notice physically ~~on a bulletin board in a place convenient to the Members~~ at the Cooperative's headquarters and ~~at each of the district offices, as well as~~ on the Cooperative's web site.

Likewise, Committees shall give notice of the date, hour, place, and purpose of all Committee Meetings by posting such notice on the Cooperative's website at least 72 hours before the scheduled time of the Meeting.

PEC shall provide a copy of any Meeting notice to a mMember upon request by the Mmember.

##### **3.3.2.3.4.2.** Recess

If the Board ~~of Directors~~ or its Committees recess an Open Meeting to the following regular business day, they are not required to post notice of the continued Meeting if the action is taken in good faith and not to circumvent this Ssection. If an Open Meeting is continued to the following regular business day and, on that following day, the Board ~~of Directors~~ or its Committees continue the Meeting to another day, notice must be given as required by this Ssection of the Meeting continued to that other day.

##### **3.3.3.3.4.3.** Emergency

In an emergency or when there is an urgent necessity, the notice of a Meeting or the supplemental notice of a subject added as an item to the agenda for a Meeting for which notice has been posted in accordance with this this Policy Section 5 is sufficient if it is posted for at least two hours before the Meeting is convened. An emergency or an urgent necessity exists only if immediate action is required because of a reasonably unforeseeable situation. The Board of Directors shall clearly identify the emergency or urgent necessity in the notice or supplemental notice under this sSection. The Board Secretary or the Secretary's designee will post the revised agenda on the Cooperative's web site and physically at the Cooperative's headquarters ~~and at each of the district offices at least two hours before the Meeting convenes~~.



### 3.3.4.3.4.4. Items Not on Agenda

If, at a Meeting of the Board ~~of Directors~~ or a Committee, a ~~M~~member of the Cooperative or of the Board inquires about a subject for which notice has not been given as required by this Section, the notice provisions of this ~~S~~section do not apply to: (1) a statement of specific factual information given in response to the inquiry; or (2) a recitation of existing policy in response to the inquiry. Any deliberation of, or decision about, the subject of the inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent Meeting.

### 3.3.5.3.4.5. Procedure of Meetings

3.3.5.1.3.4.5.1. PEC Board ~~of Directors'~~ Meetings are conducted in accordance with the PEC's Director's Code of Conduct, Decorum Policy, and the current edition of Robert's Rules of Order Newly Revised, as practicable and not inconsistent with the Articles of Incorporation, the Bylaws, or law. Meetings shall utilize the "Procedure for Small Boards" contained within the current edition of Robert's Rules (for example, Robert's Rules of Order Newly Revised § 49 (14~~2~~<sup>th</sup> ed. Cambridge, Mass.: Public Affairs, on imprint of Perseus Publishing Books, 2014~~20~~)) whenever it applies to a matter; with the exceptions that (a) any requirement for a second to a motion elsewhere in the rules shall remain in effect, and (b) Directors shall be required to obtain the floor before making motions or speaking.

3.3.5.2.3.4.5.2. The Board may also designate a parliamentarian to advise the presiding officer on matters of procedure. The person serving, from time to time, in the capacity as General Counsel for the Cooperative shall serve as parliamentarian at Board Meetings.

### 3.3.6.3.4.6. Open Meeting Records

3.3.6.1.3.4.6.1. The Board and its Committees shall prepare and keep minutes or make a recording, or both, of each Open Meeting of the body. The minutes must state the subject of each deliberation; and indicate each vote, order, decision, or other action taken. The minutes or recordings of an Open Meeting shall be available for inspection and copying by ~~M~~members on request to the Board Secretary, or the Secretary's designee. Upon prior request by any Director, the Chief Executive Officer ("CEO") shall provide a recording of any Committee Meeting to that Director. Notwithstanding the Cooperative's Records Management Policy and Retention Schedule, any recording of a Committee Meeting shall be retained for one year after the Committee Meeting.

3.4.6.2. A ~~M~~member in attendance may record all or any part of an Open Meeting by means of a tape recorder, video camera, or other means of audio or visual reproduction. The Board ~~of Directors~~ and its Committees may adopt/enforce reasonable rules to maintain order at a Meeting, including rules relating to the location of recording equipment and the manner in which a recording is conducted if applicable. A rule adopted by the Board ~~of Directors~~ may not prevent or unreasonably impair a ~~M~~member from exercising a right granted in this ~~S~~section.

### 3.4.7. Exceptions to Requirement That Meetings Be Open:



~~3.3.6.2.3.4.7.1.~~ Executive Sessions may be held as allowed by law or the Articles of Incorporation. In Executive Session, the Board ~~of Directors~~ or its Committees may conduct a private consultation with its attorney, invited staff, consultants, or any other person whose presence the Board ~~of Directors~~ deems necessary. In the event of a dispute regarding participation in any Executive Session of any non-director attendee, a majority vote of the Board ~~of Directors~~ shall determine participation eligibility of attendees. Executive Sessions may be held for the following reasons:

~~3.3.6.2.1.~~ Legal Matters:

~~3.3.6.2.2.3.4.7.1.1.~~ The Board ~~of Directors~~ may discuss legal matters or seek the advice of their attorney on legal matters. Legal consultation includes, but is not limited to, advice about anticipated or pending litigation, settlement offers, legislation, or concerns reported under the Cooperative's Ethics and Compliance Reporting Policy, and interpretations of the law.

~~3.3.6.2.3.~~ Real Estate:

~~3.3.6.2.4.3.4.7.1.2.~~ The Board ~~of Directors~~ or its Committees may deliberate the purchase, -use, exchange, -lease, -or -value of real property if deliberation in an Open Meeting could have a detrimental effect on the Cooperative.

~~3.3.6.2.5.~~ Contracts:

~~3.3.6.2.6.3.4.7.1.3.~~ The Board ~~of Directors~~ or its Committees may deliberate business and financial issues or terms relating to a contract being negotiated if deliberation in an Open Meeting would have a detrimental effect on the position of the Cooperative.

~~3.3.6.2.7.~~ Personnel:

~~3.3.6.2.8.3.4.7.1.4.~~ The Board ~~of Directors~~ or its Committees may deliberate the Cooperative's personnel issues or ~~to~~ hear a complaint or charge against a Director or Cooperative employee or consultant. However, this subsection does not apply if the Director or employee who is the subject of the deliberation or hearing requests a public hearing.

~~3.3.6.3.~~ Competitive Matters:

~~3.3.6.3.1.3.4.7.1.5.~~ The Board ~~of Directors~~ or its Committees may deliberate "Competitive Matters," meaning commercial information and utility-related matters that the Board, in good faith, determines are related to the Cooperative's competitive activity that would, if disclosed, give an advantage to individuals or entities who have sought or are likely to seek business or the dissolution, takeover or sale of PEC ("Competitors") or would adversely affect PEC's ability to competitively purchase goods and services.

~~3.3.6.4.~~ Safety and Security:

~~3.3.6.4.1.3.4.7.1.6.~~ The Board ~~of Directors~~ or its Committees may conduct an Executive Session to discuss safety and security issues relating to



~~security of physical infrastructure or facilities of~~ the electrical system including, but not limited to, ~~security~~ personnel, ~~security~~ devices, ~~security~~ audits, internal controls, and cyber or other electronic security.

#### 3.3.7.3.4.8. Executive Session Procedures

The procedures for an executive session are detailed in the attached Appendix A, Executive Session Meeting Procedures.

## 4. DEFINITIONS

- 4.1. **Board Meeting** – ~~A means a~~ deliberation between a quorum of the ~~voting~~ Board ~~of Directors~~ or between a quorum of the ~~voting~~ Board ~~of Directors~~ and another person, during which Cooperative business or policy over which the Board ~~of Directors~~ has responsibility is discussed or considered or during which the Board ~~of Directors~~ takes formal action. Board Meetings are either Regular or Special Meetings. The term “Board Meeting” includes attendance at a Committee Meeting by a quorum of the Board. The terms “Board Meeting” and “Committee Meeting” do not include the gathering of a quorum of the Board ~~of Directors~~ or a Committee at a social function, or the attendance by such a quorum at a regional, state, or national convention or workshop, ceremonial event, or press conference, if formal action is not taken and any discussion of PEC business is incidental to the social function, convention, workshop, ceremonial event, or press conference. Notwithstanding the foregoing, a Membership Meeting as defined in the Bylaws shall not be considered a Board Meeting or Committee Meeting. A Board Member’s telephonic attendance at a Meeting shall count towards a quorum.
- 4.2. **Committee** – ~~means a~~ portion of ~~M~~members of the Board ~~of Directors~~ or a gathering of ~~M~~members of the Board ~~of Directors~~ that is formally designated and established by the Board as a Committee of the Board ~~of Directors~~.
- 4.3. **Committee Meeting** – ~~means a~~ deliberation between a quorum of a Committee or between a quorum of the Committee and another person during which Cooperative business or policy over which the Committee has subject-matter jurisdiction is discussed or considered, or during which the Committee takes a formal vote. A quorum of a Committee shall be a majority of the Committee.
- 4.4. **Executive Session** – ~~means a~~ noticed Meeting announced and designated exception according to this Policy and in which Members may not attend.
- 4.5. **Meeting** – ~~means a~~ Board Meeting whether Regular, Special (called or emergency) or Committee Meeting.
- 4.6. **Open Meeting** – ~~means a~~ noticed Meeting open to attendance by Members of the Cooperative.

## ~~4.7. PROCEDURE RESPONSIBILITIES~~

- ~~4.8.1.1. The Board of Directors is responsible for implementation and adherence to this Policy. The Board’s Recording Secretary, parliamentarian, and other designated employees shall assist the Board in performance of its duties within this Policy.~~



~~4.9.1.1. Board Recording Secretary. The Board establishes the position of Recording Secretary as an employee of the Cooperative to prepare Meeting minutes, record actions taken, and otherwise assist the Board with creating and maintaining governing documents and records.~~

## 5. POLICY ENFORCEMENT

- 5.1. The Board ~~of Directors~~ is responsible for enforcing and monitoring the implementation of this Policy. Any violations of this Policy are addressed by the Board ~~of Directors~~.
- 5.2. Open Meetings Training. Each Director shall complete a course of training regarding the responsibilities of the Board ~~of Directors~~ and its ~~M~~members under this Policy, not later than the 180th day after the date the Director assumes responsibilities as a ~~M~~member of the Board ~~of Directors~~. The ~~Chief Executive Officer (CEO)~~ and any staff ~~M~~member recommended by the CEO shall also complete the training, no later than the 180th day after their date of hire with the Cooperative. The General Counsel shall ensure that the training is made available. The failure of one or more ~~M~~members of the Board ~~of Directors~~ to complete the training required by this ~~S~~section does not affect the validity of an action taken by the Board ~~of Directors~~ or a vote taken by a Committee.

## 6. REFERENCES AND RELATED DOCUMENTS

[PEC Articles of Incorporation](#)

[PEC Bylaws](#)

[Texas Utilities Code §§ 161.075; 161.077](#)

[PEC Bylaws Article IV](#)

[Board Committee Guidelines](#)

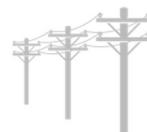
[Board of Directors Compensation Policy](#)

[Decorum Policy](#)

[Director's Code of Conduct](#)

[Ethics and Compliance Reporting Policy](#)

[Robert's Rules of Order Newly Revised § 49 \(12<sup>th</sup> ed. Cambridge, Mass.: Public Affairs, on imprint of Perseus Publishing Books, 2020~~14~~\)](#)



Date adopted:	August 15, 2016
Last reviewed:	<del>May 17, 2019</del> <u>TBD</u>
Review frequency:	Every four years
Amendment dates:	August 15, 2016; May 17, 2019; <u>TBD</u>
Effective date:	<del>May 17, 2019</del> <u>TBD</u>
Approver:	Board of Directors
Applies to:	Board of Directors and all participants or employees responsible for administration of PEC Meetings
Administrator:	General Counsel
Superseding effect:	This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the Approver may authorize exceptions to this Policy.



# APPENDIX A

## EXECUTIVE SESSION MEETING PROCEDURES

### 1. NOTICE OF EXECUTIVE SESSION

- 1.1. Before an Executive Session is held, the Board of Directors or its Committees will first convene in an Open Meeting for which notice has been given as provided by this Section and during which the presiding Director announces that an Executive Session will be held and identifies the subsection(s) under which an Executive Session is held.
- 1.2. A final action, decision, or vote on a matter deliberated in an Executive Session may only be made in an Open Meeting that is held in compliance with the notice provisions of the PEC Mmeeting Ppolicy.

### 2. ~~2.~~ RECORDS OF EXECUTIVE SESSION

- 2.1. The Board Secretary, or the Secretary's designee, will make and keep a written record of the proceedings of each Executive Session of a Board Meeting.
- 2.2. The record will include a statement of the subject matter of each deliberation, and an announcement by the presiding Director at the beginning and the end of the Board Meeting indicating the date and time. Notwithstanding the Cooperative's Records Management Policy and Retention Schedule, the record will be preserved for at least six years after the Board Meeting.
- 2.3. No attendee of Executive Session shall be allowed to make any audio, pictorial, or video recording of any portion of an executive session.
- 2.4. No Director shall be allowed to duplicate, transmit, or distribute any Executive Session materials.
- 2.5. The Board Secretary or the Secretary's Designee will be the Custodian of any materials distributed during Executive Session and shall be responsible for collecting the materials at the end of the session. The Secretary, or the Secretary's Designee, shall ensure that duplicate copies are destroyed and original documents are maintained in accordance with the Cooperative's Record Management Policy.
- 2.6. Upon request, and with advanced scheduling coordinated through staff and with notification provided to all Directors, any Director may inspect onsite at the Cooperative's Headquarters, original documents or electronic records from Executive Session archives but in no case shall a Director be allowed to photograph, video, duplicate, transmit, record, distribute, or otherwise image or reproduce any Executive Session materials. All Executive Session materials shall remain in the control of the Custodian.
- 2.7. In the event that Executive Session materials are provided in advance of Executive Session meetings via email or hardcopy such documentation shall be noted as "confidential" and may not be duplicated, recorded, transmitted, emailed, or otherwise distributed.
- 2.8. Nothing in this policy shall limit the ability of the Board by majority vote to release documents or materials, in part or in whole, previously determined to be confidential.





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**File #:** 2023-230, **Version:** 1

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**Resolution - Approval of 2023 Budget Amendments - J Smith/K Jones**

**Submitted By:** Janelle Smith

**Department:** Financial Services

**Financial Impact and Cost/Benefit Considerations:** \$12.2M in additional operating expenses and \$7.0M in additional capital expenditures

The Budget Policy requires amendments for certain levels of variances. The additional \$12.2 Million in operating expense resulted from Winter Storm Mara and compensation study adjustments, offset by savings in property taxes and staff expenses.

Additionally, capital spend in category 600 (Distribution - Miscellaneous Equipment) requires a budget amendment of \$7.0 Million due to additional costs related to Winter Storm Mara.

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative adopt the Amended 2023 Operating and Capital Improvement Plan (CIP) Budgets as presented this day; and

**NOW THEREFORE BE IT RESOLVED** that the Chief Executive Officer, or designee, is authorized to take such actions as needed to implement this resolution.



# 2023 Amended Operating & Capital Budget

Janelle Smith | Director, Finance

Kat Jones | Controller

August 18, 2023

Board Approval required

# Operating Expenses

Activity Group Expense	a-2022	2023			Projected			
		Original Budget	Amended Budget	2023 Delta	2024	2025	2026	2027
Payroll and Benefits	73.5	78.4	85.9	7.5	84.8	88.3	92.9	97.6
Outside Services	49.3	52.3	57.6	5.2	51.1	50.8	50.7	50.0
Goods & Materials	5.8	8.1	8.4	0.3	8.3	8.3	8.4	8.5
Utilities	5.6	6.1	5.4	(0.6)	6.0	5.9	6.0	6.0
Misc / Other Expense	4.7	5.6	6.0	0.4	5.8	5.9	6.0	6.1
Staff - Travel and Misc	2.0	2.4	2.1	(0.3)	2.4	2.4	2.5	2.5
Transportation	2.7	2.3	2.6	0.3	2.3	2.4	2.4	2.5
Directors Expense	0.3	0.3	0.3	0.0	0.3	0.3	0.3	0.3
Member Events	0.0	0.2	0.2	0.0	0.2	0.2	0.2	0.2
Taxes	10.1	10.9	10.4	(0.5)	10.9	11.4	12.0	12.6
<b>Total</b>	<b>\$154.1</b>	<b>\$166.7</b>	<b>\$178.9</b>	<b>\$12.2</b>	<b>\$172.1</b>	<b>\$175.8</b>	<b>\$181.3</b>	<b>\$186.1</b>

## Cost Breakdown:

Winter Storm Mara	Other Items
Payroll and Benefits - \$4.1M	Compensation Study – Payroll and Benefits- \$3.2M
Outside Services - \$5.2M	Equipment Lease – Miscellaneous/Other - \$0.4M
Goods and Materials - \$0.3M	Cost Savings – Utilities – (\$0.6M)
Transportation - \$0.3M	Cost Savings – Taxes – (\$0.5M)
	Cost Savings – Staff Expenses – (\$0.3M)



Board Approval required

# Capital Improvement Spend

Category	a-2022	2023 Original	2023 Amended	2023 Delta	Projected			
		Budget	Budget		2024	2025	2026	2027
Distribution Line Extensions	14.3	-	-	-	-	-	-	-
Distribution Lines New	6.7	9.6	9.6	-	2.5	1.3	1.3	0.3
Distribution Lines Change	19.8	27.5	27.5	-	13.4	6.1	3.6	3.6
Substations New	3.4	20.8	20.8	-	33.2	21.4	19.4	20.7
Substations Change	14.5	24.9	24.9	-	30.5	32.4	34.6	43.2
Distribution Misc Equipment	51.4	51.8	58.8	7.0	51.6	42.9	42.7	43.6
Other Distribution Items	0.1	0.5	0.5	-	0.5	0.2	0.2	0.2
Transmission Lines New	3.3	2.0	2.0	-	2.1	11.6	30.6	29.5
Transmission Lines Change	19.6	19.7	19.7	-	31.7	33.8	38.6	6.6
Facilities	25.0	29.3	29.3	-	17.7	26.7	19.2	25.3
Information Technology	4.5	7.8	7.8	-	7.5	6.7	5.1	3.7
Tools & Small Equipment	0.2	0.4	0.4	-	0.4	0.4	0.4	0.5
Vehicles & Power Operated Equipment	2.4	8.5	8.5	-	8.0	10.0	10.0	10.0
<b>Total</b>	<b>\$165.2</b>	<b>\$202.8</b>	<b>\$209.8</b>	<b>\$7.0</b>	<b>\$199.1</b>	<b>\$193.5</b>	<b>\$205.7</b>	<b>\$187.2</b>

- Increase in capital spend due to costs incurred during Winter Storm Mara



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**File #:** 2023-231, **Version:** 1

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## **Resolution - Approval to Amend Tariff and Business Rules - Base Power Charge - D Thompson**

**Submitted By:** David Thompson

**Department:** Markets

### **Financial Impact and Cost/Benefit Considerations:**

Recommended changes to the Base Power Charge to align with the Cooperative's forecasted expense for power purchase costs. Increase of revenue from the adjustment to the Base Power Charge is forecast to be approximately \$105M in 2024; expenditures of staff time is not anticipated to be impacted.

The Tariff and Business Rules of the Cooperative currently include a Base Power Charge which recovers the power purchase costs and other costs incurred in connection with the development and management of the Cooperative's power supply to serve the membership's electric energy requirements.

The Base Power Charge attributable to power purchase cost is largely driven by the energy and ancillary service costs in the ERCOT market as well as the ERCOT market performance of the generation fleet and portfolio of the Cooperative's primary power supplier the Lower Colorado River Authority (LCRA). Additionally, the fixed costs associated with power purchase costs, including those costs for operation of generation facilities passed through by LCRA, have experienced a continuing trend of cost increases for materials, labor, contractor expense, and interest expense.

From the ERCOT Independent Market Monitor (IMM) State of the Market reports, the total ERCOT Market costs for energy and ancillary services from 2020 to 2022 have risen from \$11.5 billion to \$31.6 billion. This represents a 175% increase or almost a tripling in cost. PEC secures its power supply for its members electric requirements through its purchased power contracts which are correlated to the many factors that impact ERCOT market prices and the total cost to loads.

Given this ERCOT market outlook, an increase of \$0.014000/kWh to the amount of the Base Power Charge is recommended to ensure adequate cost recovery. This increase will be added to the Flat Base Power Charge and the Time-Of-Use Base Power Charge beginning on October 1, 2023.

The net impact to most members will be an increase of \$0.007000/kWh or approximately \$8.75 per month for an average member that uses 1,250 kWhs per month (with the Temporary Winter Storm Surcharge in the amount of \$ 0.007000 per kWh expiring on September 30, 2023). This will be a 6.2% net increase to the average member's monthly bill from bills issued before September 30, 2023.

PEC recommends adding a description of the components of the Base Power Charge formula to the Tariff and Business Rules that will be used as the basis for any recommended future adjustments to the Base Power Charge.

Tariff amendment and effective date is shown below:

- Base Power Charge, Section 500.1.7 - Effective for all bills issued on and after October 1, 2023

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative

approves the amendments to the Tariff and Business Rules as attached hereto with such changes, if any, as were approved by the Board, to become effective for all bills issued on and after October 1, 2023; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.



# Approval to Amend Tariff and Business Rules – Base Power Rate

Randy Kruger, Jr. | Chief Financial Officer

David L. Thompson | VP of Markets

# Components of Your PEC Bill

## Bill Components

### Current Activity

Service Availability Charge	1,250 kWh @ \$0.028405	\$22.50
Delivery Charge		\$35.51
Base Power Cost	1,250 kWh @ \$0.044500	\$55.63
TCOS Pass-Through Charge	1,250 kWh @ \$0.016860	\$21.08
Temporary Storm Surcharge	1,250 kWh @ \$0.007000	\$8.75
eBilling Credit		-\$1.00
eBilling Draft		-\$1.50
<b>Current Charges</b>		<b>\$140.96</b>

Service and Delivery  
Recovers operating expense, maintenance capital and debt service

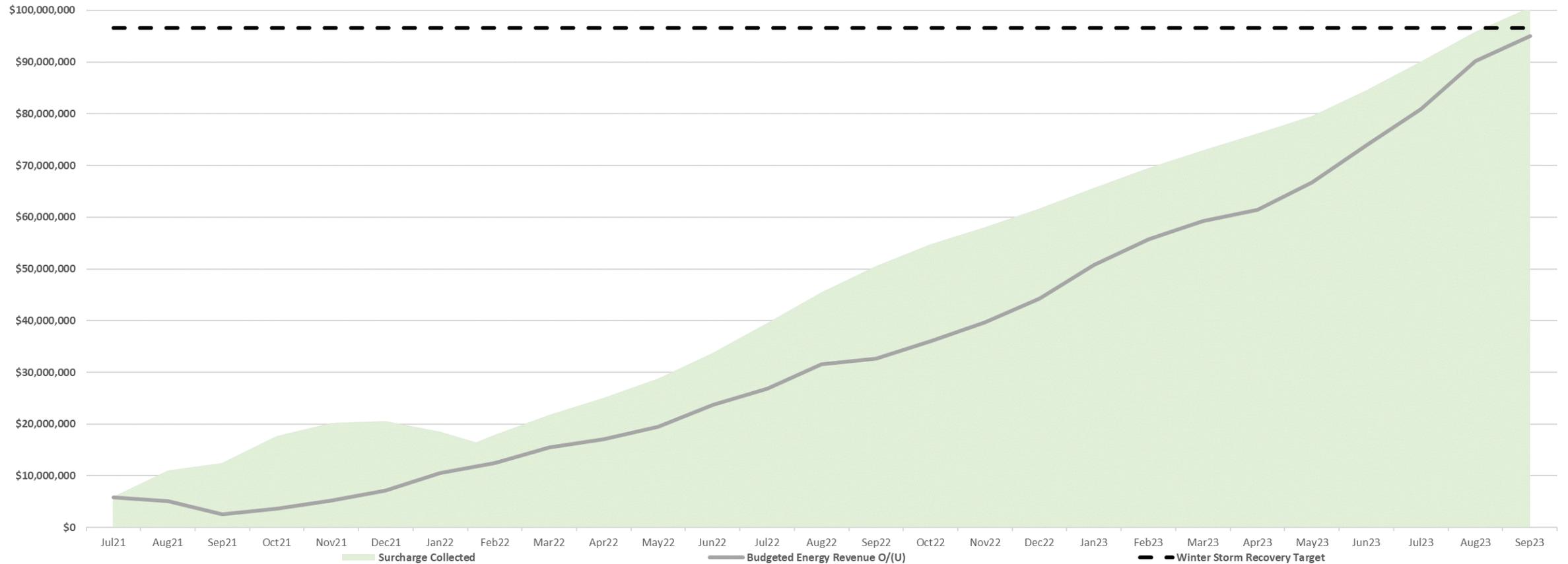
Power Costs  
Recovers cost to procure power and associated costs

TCOS Pass Through  
Recovers access charges for the ERCOT transmission system

Temporary Storm Charge  
Recovers cost of winter storm Uri

**AUTOPAY AMOUNT** **\$140.96**

# Winter Storm Uri Costs Recovered and Temporary Storm Charge Ends 9/30/23



- The winter storm Uri costs have been recovered and the Temporary Storm Surcharge will end on September 30
- Many utilities in the state will be recovering Uri storm costs for up to 30 years.

# Service and Delivery

## Bill Components

### Current Activity

Service Availability Charge	1,250 kWh @ \$0.028405	\$22.50
Delivery Charge		\$35.51
Base Power Cost	1,250 kWh @ \$0.044500	\$55.63
TCOS Pass-Through Charge	1,250 kWh @ \$0.016860	\$21.08
Temporary Storm Surcharge	1,250 kWh @ \$0.007000	\$8.75
eBilling Credit		-\$1.00
eBilling Draft		-\$1.50
<b>Current Charges</b>		<b>\$140.96</b>

Service and Delivery  
Recovers operating expense, maintenance capital and debt service

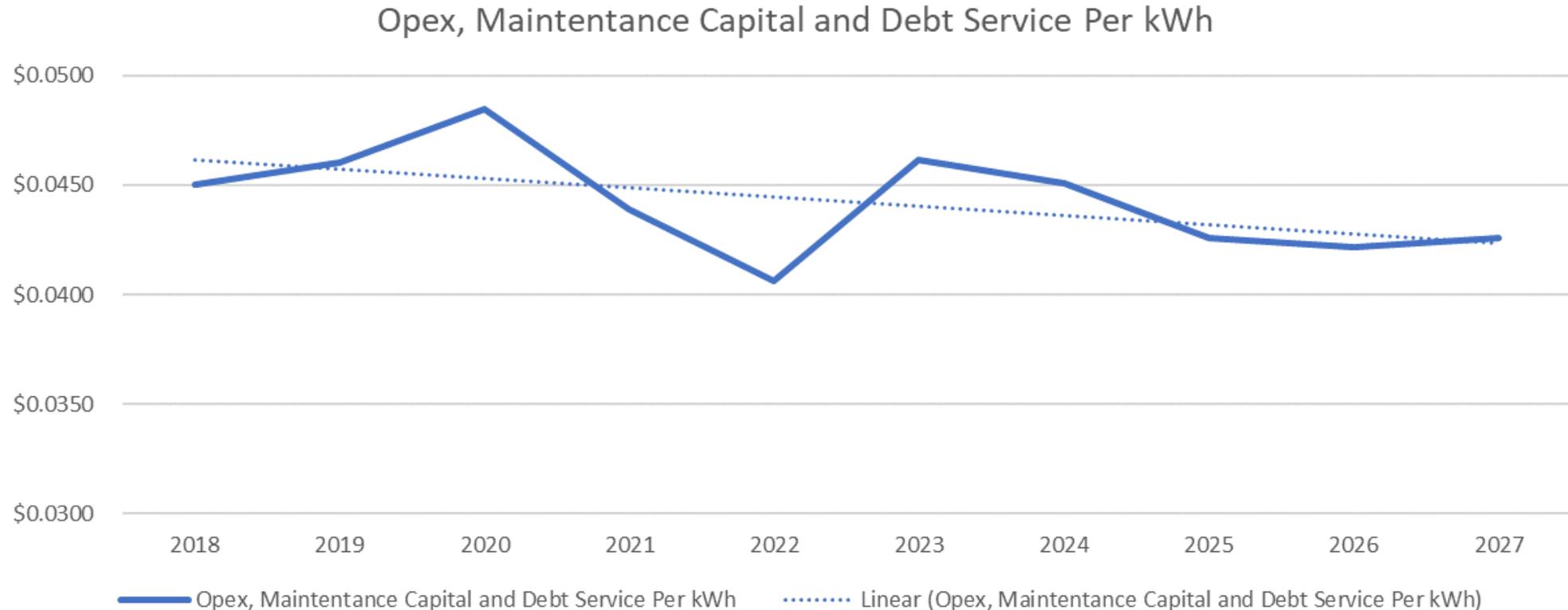
Power Costs  
Recovers cost to procure power and associated costs

TCOS Pass Through  
Recovers access charges for the ERCOT transmission system

Temporary Storm Charge  
Recovers cost of winter storm Uri

**AUTOPAY AMOUNT** **\$140.96**

# Service and Delivery Components Are Not Increasing



- Despite inflation and rising interest rates PEC has leveraged technology, cut costs and lowered borrowing expense to offset the impacts of higher interest rates and inflation (inflation up 18% since 2020)
- Service and delivery components have remained in the \$0.04 to \$0.05/kWh range and are not increasing

# TCOS Pass Through

## Bill Components

### Current Activity

Service Availability Charge	1,250 kWh @ \$0.028405	\$22.50
Delivery Charge		\$35.51
Base Power Cost	1,250 kWh @ \$0.044500	\$55.63
TCOS Pass-Through Charge	1,250 kWh @ \$0.016860	\$21.08
Temporary Storm Surcharge	1,250 kWh @ \$0.007000	\$8.75
eBilling Credit		-\$1.00
eBilling Draft		-\$1.50
<b>Current Charges</b>		<b>\$140.96</b>

Service and Delivery  
Recovers operating expense,  
maintenance capital and debt service

Power Costs  
Recovers cost to procure power and  
associated costs

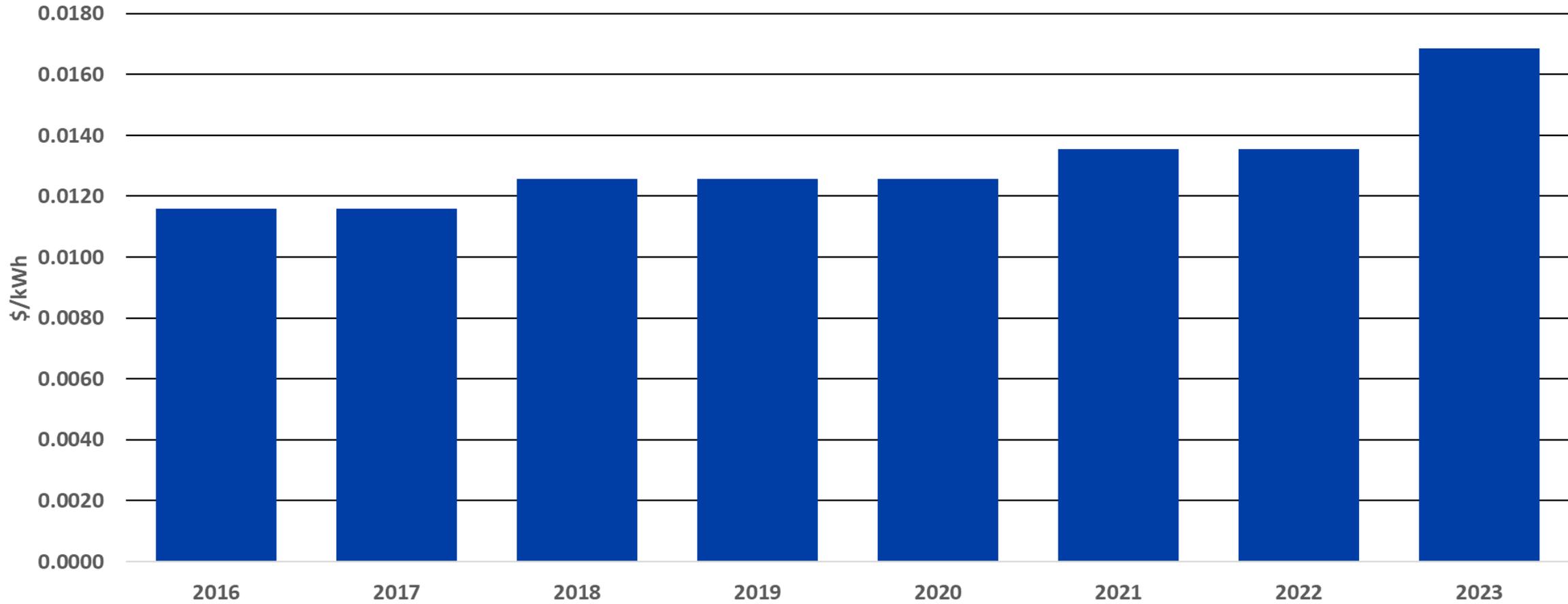
TCOS Pass Through  
Recovers access charges for the ERCOT  
transmission system

Temporary Storm Charge  
Recovers cost of winter storm Uri

**AUTOPAY AMOUNT**

**\$140.96**

# TCOS Pass Through Based on Charges from ERCOT



- TCOS Pass Through will vary with charges set by PUCT.
- There will be no change to this bill component in October.

# Base Power Cost

## Bill Components

### Current Activity

Service Availability Charge	1,250 kWh @ \$0.028405	\$22.50
Delivery Charge		\$35.51
Base Power Cost	1,250 kWh @ \$0.044500	\$55.63
TCOS Pass-Through Charge	1,250 kWh @ \$0.016860	\$21.08
Temporary Storm Surcharge	1,250 kWh @ \$0.007000	\$8.75
eBilling Credit		-\$1.00
eBilling Draft		-\$1.50
<b>Current Charges</b>		<b>\$140.96</b>

Service and Delivery  
Recovers operating expense, maintenance capital and debt service

Power Costs  
Recovers cost to procure power and associated costs

TCOS Pass Through  
Recovers access charges for the ERCOT transmission system

Temporary Storm Charge  
Recovers cost of winter storm Uri

**AUTOPAY AMOUNT** **\$140.96**

# Cost of Power Supply in ERCOT Has Tripled Requiring an increase in the Base Power Cost

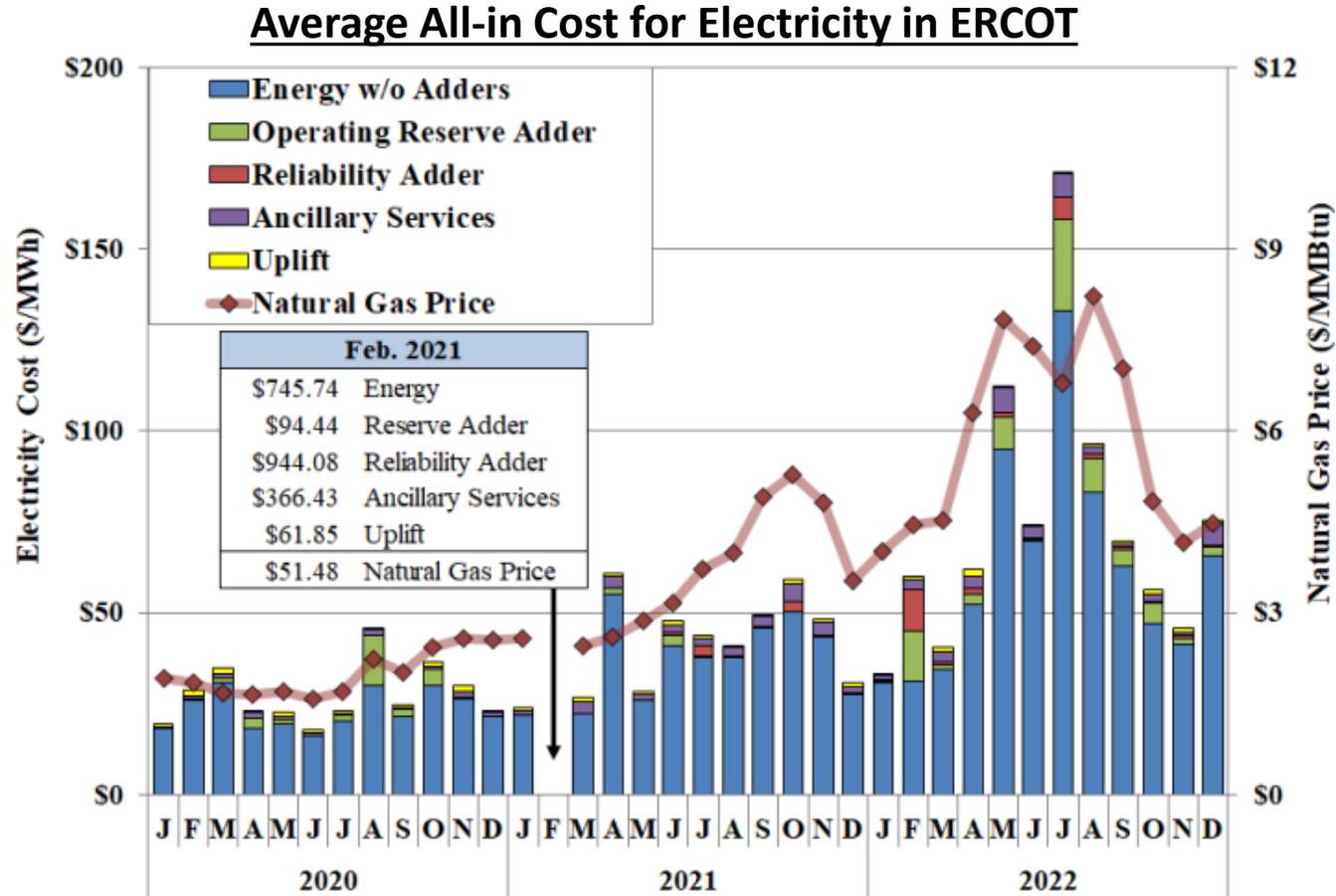


Chart Source: "2022 State of the market Report for the ERCOT Electricity Market" by Potomac Economics, ERCOT Independent Market Monitor. Published May 2023

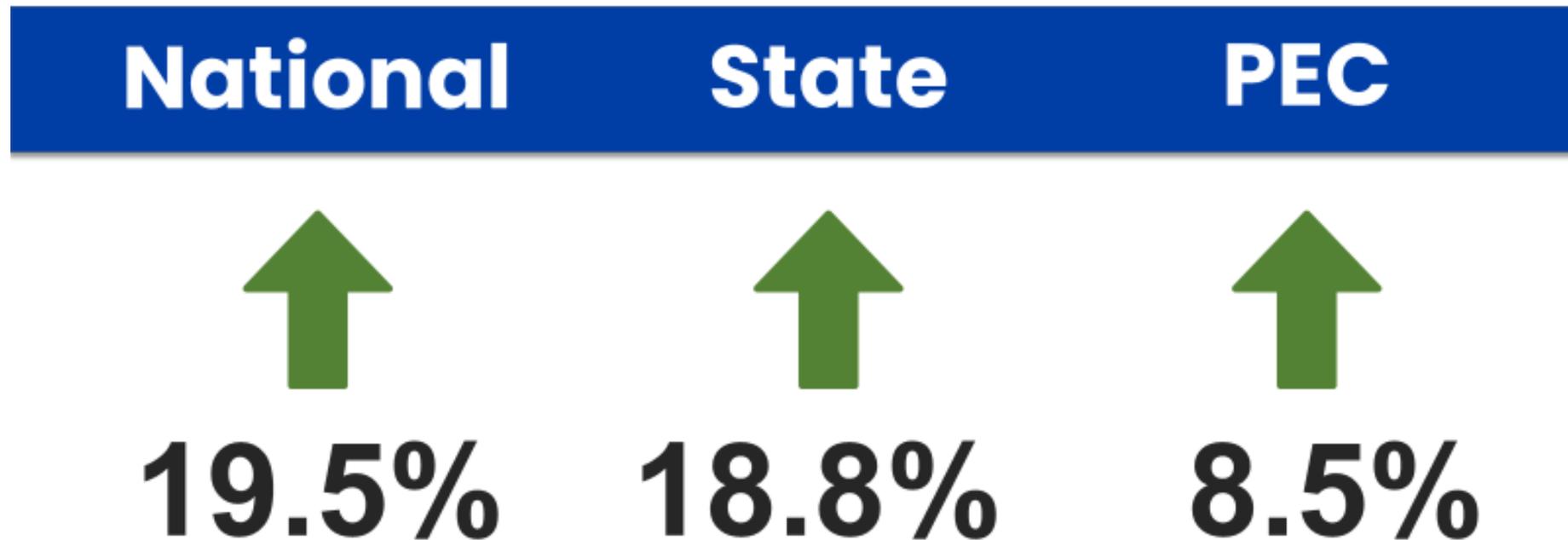
- According to the ERCOT Independent Market Monitor all-in cost for electricity in ERCOT has more than tripled between 2020 and 2022, increasing from \$9.2 billion to \$32 billion

# PEC Historical Bill Comparison

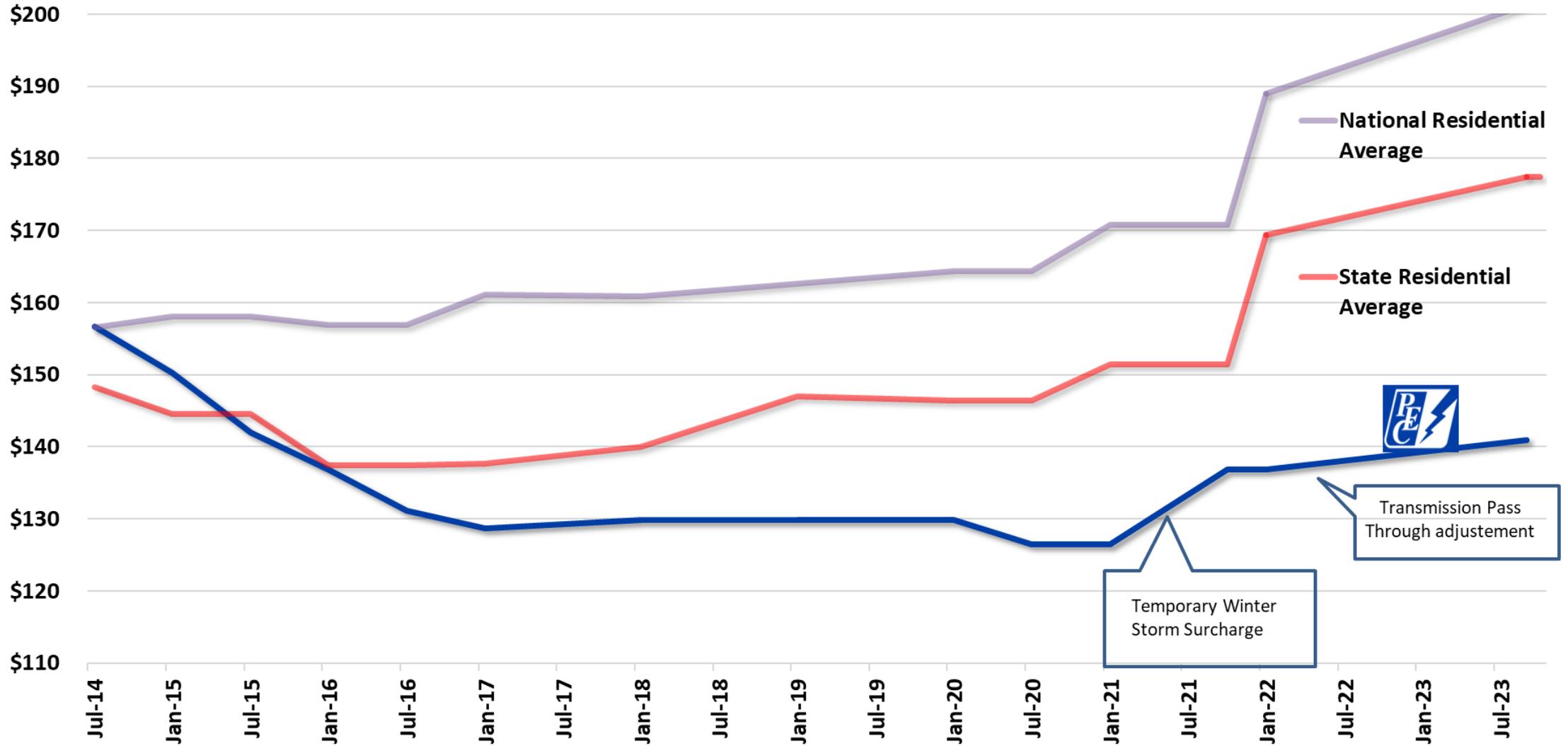
## Background

- The increase in prices is impacting utilities across the state and nation.

## Increasing Residential Electricity Bill from 2020 – July 2023



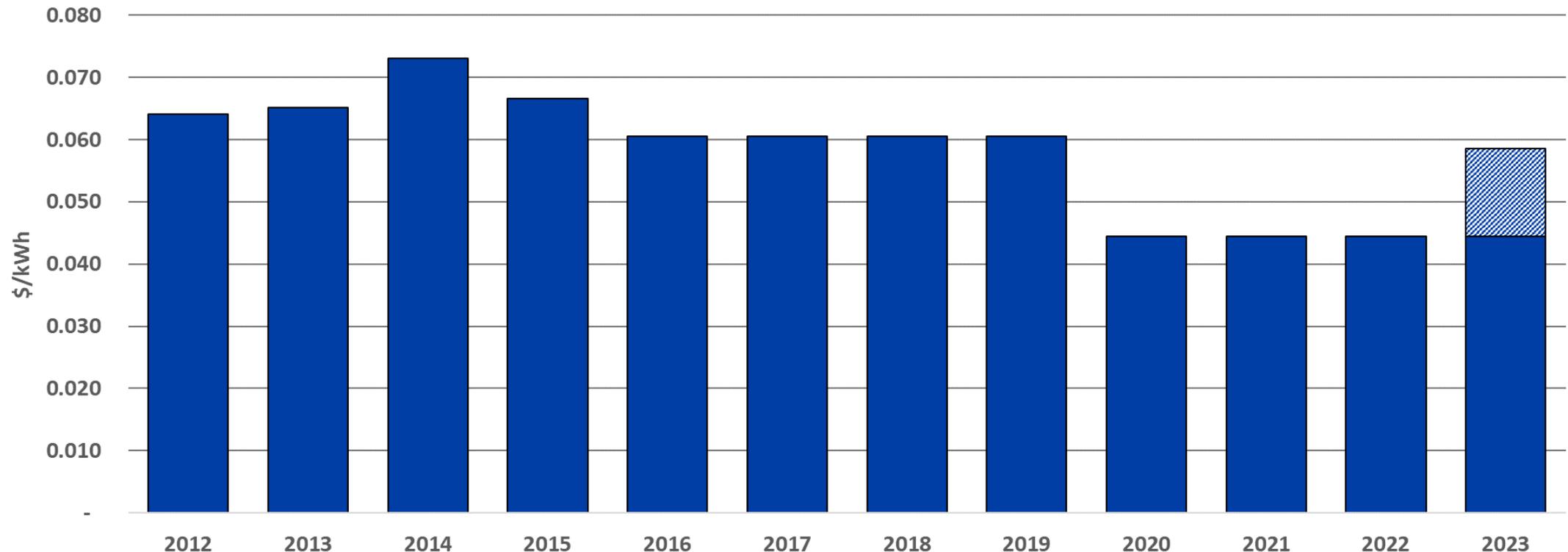
# PEC Historical Average Bill Comparison



Source: Texas Residential Avg. and National Residential Avg. numbers from EIA annual report data as of June 1, 2023

# Base Power Charge

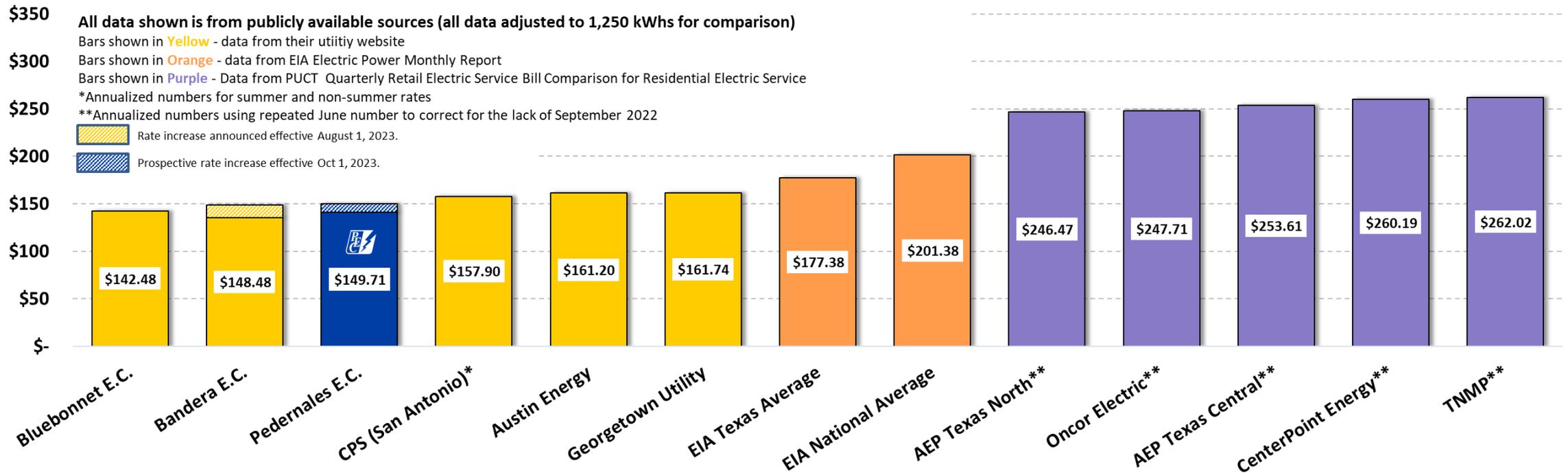
- Base Power Cost recovers the cost of electricity from our power suppliers and associated charges from ERCOT. These costs are passed through to members with no added charges.
- For the average PEC member using 1,250 kWh/month, this means a net increase of \$8.75/month



# PEC Rate Competitiveness

- The level of power price increases are more than can be absorbed without an increase to PEC’s Base Power Charge and are impacting all utilities at the state and national level
- Even with the proposed level of Base Power Charge increase, PEC’s rates will be well below the national and state levels.

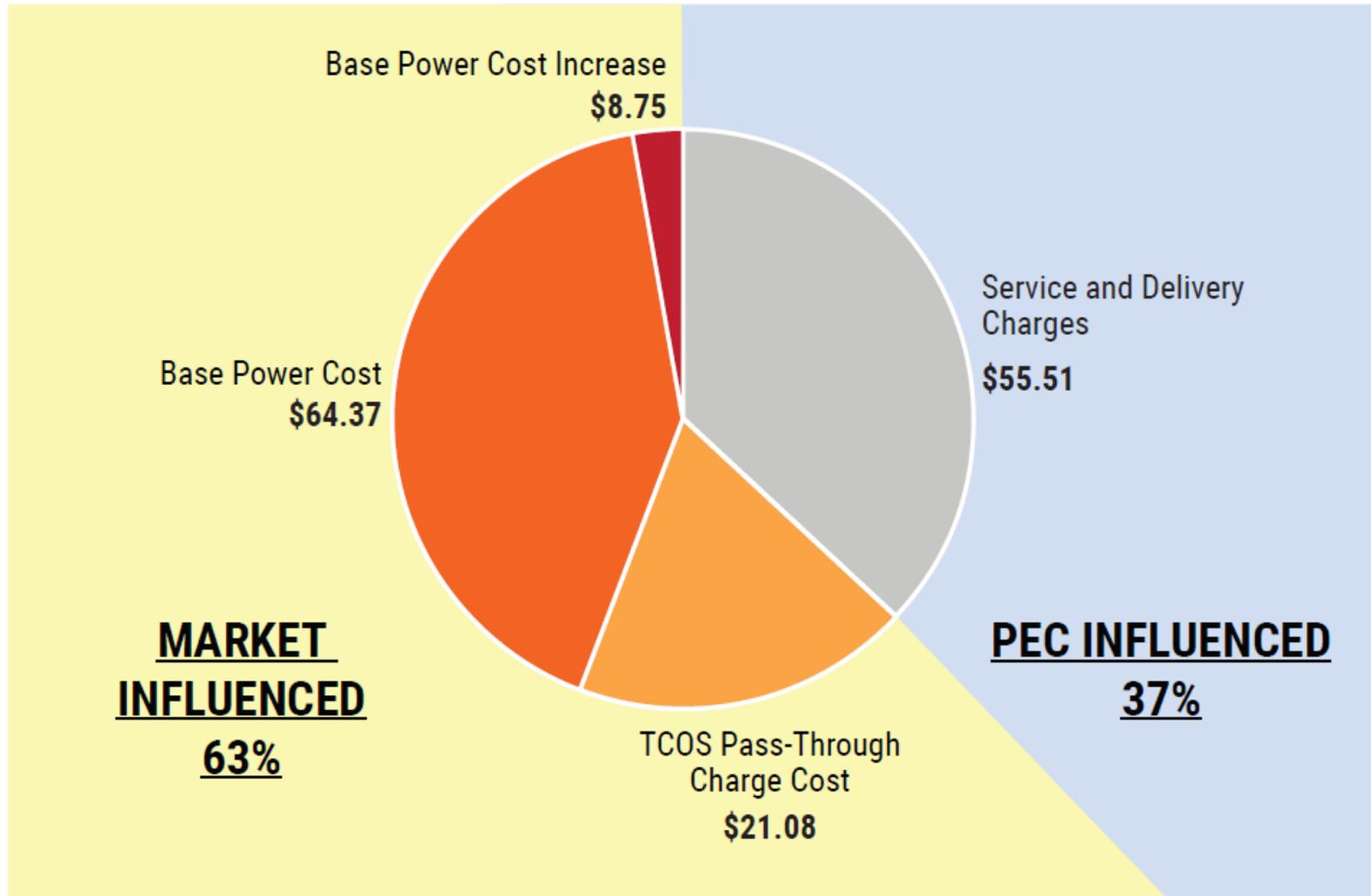
## Residential Total Bill as of June 2023 (1,250 kWhs)



\*\* Numbers are from the PUCT Quarterly Retail Electric Service Bill Comparison for Residential Service and are annualized using repeated June to correct for lack of September 2022 - <https://www.puc.texas.gov/industry/electric/rates/resbill.aspx>

# Bill Component Summary

## Average Usage on a Bill of \$149.71...



- All bill components will remain unchanged except the power cost related components

# Base Power Charge

## Proposed Changes

- Update the Flat Base Power Charge from \$0.044500 to \$0.058500 per kWh
- Update the Time-Of-Use Base Power Charge to align with the Flat Base Power Charge change
- Add a rate formula to the Tariff to provide transparency to how PEC establishes the Base Power Charge

## Proposed Tariff Amendment

- Update Section 500.1.7, Base Power Charge

# Base Power Charge

## Financial Impact

- An increase of \$0.014000/kWh in the Base Power Charge is recommended to ensure adequate cost recovery.
  - This increase will be applied to the Flat Base Power Charge and the Time-Of-Use Base Power Charge.
- The Temporary Winter Storm Surcharge of \$0.007000/kWh will be expiring the same billing cycle the Base Power Charge becomes effective so the net impact will be an increase of \$0.007000/kWh or \$8.75 per month for an average member that uses 1,250 kWhs per month.
  - The net increase is a 6.2% increase to an average member bill

# Bill Print before and after October 1, 2023

- Average Residential Bill net increase of 6.2%
- Removal of the Temporary Storm Surcharge
- Increase Base Power Charge from \$0.044500 to \$0.058500 per kWh

## Bill – before October 1, 2023

### Current Activity

Service Availability Charge		\$22.50
Delivery Charge	1,250 kWh @ \$0.028405	\$35.51
Base Power Cost	1,250 kWh @ \$0.044500	\$55.63
TCOS Pass-Through Charge	1,250 kWh @ \$0.016860	\$21.08
Temporary Storm Surcharge	1,250 kWh @ \$0.007000	\$8.75
eBilling Credit		-\$1.00
eBilling Draft		-\$1.50
<b>Current Charges</b>		<b>\$140.96</b>

## Bill – on and after October 1, 2023

### Current Activity

Service Availability Charge		\$22.50
Delivery Charge	1,250 kWh @ \$0.028405	\$35.51
Base Power Cost	1,250 kWh @ \$0.058500	\$73.13
TCOS Pass-Through Charge	1,250 kWh @ \$0.016860	\$21.08
eBilling Credit		-\$1.00
eDraft Credit		-\$1.50
<b>Current Charges</b>		<b>\$149.71</b>

**AUTOPAY AMOUNT**

**\$140.96**

**AUTOPAY AMOUNT**

**\$149.71**

# Communicating Base Power Cost Increase

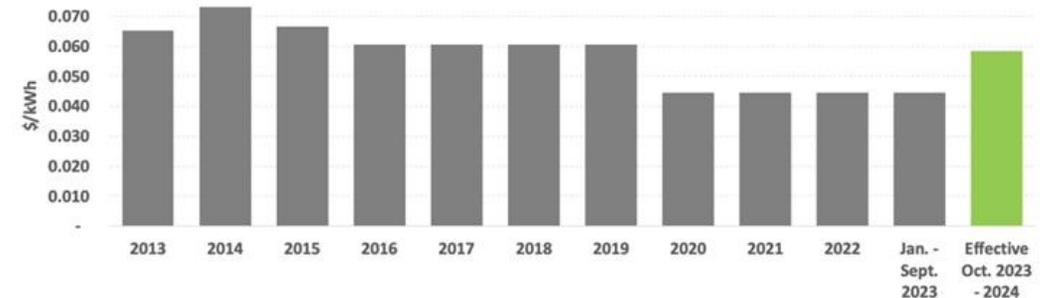
- Upon Board approval of Base Power Cost increase, every member will receive notice beginning in late August and early September
- Members will be noticed with a bill message and postcard
- Additionally, PEC has prepared:
  - Updated website content
  - Press release
  - Training and talking points for staff

## Rates Changing to Reflect the Price of Power

As a nonprofit cooperative, PEC purchases electricity from generators, and those costs are passed through to members with no added charges. Power supply costs in the ERCOT market have more than tripled since 2020. Due to these increases, PEC is adjusting rates to recover costs. Effective for all bills issued on and after October 1, 2023: The Winter Storm Surcharge will expire and no longer be charged, and the Base Power Cost will increase from \$0.044500 to \$0.058500 per kWh.

For the average PEC member using 1,250 kWh per month, these changes represent a net increase of \$8.75 per month on bills. After the adjustment to the Base Power Cost, PEC's rates will remain below the average residential rate in Texas. Learn more at [pec.coop/rates](https://pec.coop/rates).

## PEC Base Power Cost 2013-2024



# Proactively Working with Our Members

- PEC has worked hard to shield our members from severe market fluctuations
- We recognize any increase in our rate structure will financially impact our members, and we have programs available to help members in need
- PEC has dollars earmarked to help our members, and our Member Assistance Program helps connect individuals and families with local agencies that can help with bill payment assistance
- We encourage any member struggling to pay their bill to contact us at 1-888-554-4732 — we will work with you



# PEC Helpful Links and Rate Contact Information

## PEC Document Center -

Includes Rate Policy, Cost of Service Studies, recent rate related Board items

<https://www.pec.coop/about-us/your-cooperative/document-center/>

PEC Rate Inquiry email address - [Rateinquiry@peci.com](mailto:Rateinquiry@peci.com)



PEDERNALES ELECTRIC COOPERATIVE



**TARIFF AND BUSINESS RULES  
FOR ELECTRIC SERVICE**

Pedernales Electric Cooperative, Inc.  
201 South Avenue F  
P.O. Box 1  
Johnson City, Texas 78636-0001

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

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**100 DEFINITIONS**

The following definitions apply to the Tariff and Business Rules for Electric Service, ("Tariff") of Pedernales Electric Cooperative, Inc. ("PEC" or "Cooperative"), including the service rules and regulations, policies, rate schedules and riders, and any service agreements made pursuant to this Tariff, unless specifically defined otherwise therein.

**Applicant** – A Person applying for membership into the Cooperative or a Member, property owner, developer, or home builder applying for a line extension, upgrade, or removal and/or relocation or modification of electric service facilities.

**Billing Determinant** – Measured, calculated, or specified values used to determine the Cooperative's Rates, charges, credits, and adjustments. These values may include, but are not limited to, measurements of kilowatt-hours (kWh), actual monthly Non-Coincident Peak (NCP) demand in kilowatts (kW), annual NCP demand in kilowatts (kW), Four (4) Coincident Peak Demand in kilowatts (kW), billing demand in kilowatts (kW), Power Factor, Community Solar Energy Units, Unit Energy Allocation, Solar Energy, Net Energy, and number of lamps.

**Business Day** – All days the Cooperative business offices are open, which includes all weekdays not including Cooperative Holidays.

**Capacity Demand** – The maximum demand (kW) of power consumed, measured on a fifteen (15) minute interval basis within the billing period as applicable.

**Commission** – The Public Utility Commission of Texas.

**Contribution in Aid of Construction (CIAC)** – Payment by Applicant to the Cooperative for line extensions, upgrades, or expansions in excess of allowable investments by the Cooperative, or for nonstandard service facilities, removals, or relocations.

**Cooperative** – Pedernales Electric Cooperative, Inc., a Texas electric cooperative corporation organized and operating under the Electric Cooperative Corporation Act, Texas Utilities Code Annotated, Chapter 161, or a predecessor statute to Chapter 161, and operating under that chapter.

**Cooperative Facilities** – All the plant and equipment of the Cooperative, including all tangible and intangible real and personal property without limitation, and any and all means and instrumentalities in any manner owned, operated, leased, licensed, used, controlled, furnished, or supplied for, by, or in connection with the business of the Cooperative, including any construction work in progress.

**Cost Calculation** – A calculation of the cost to extend electric service for Residential Service or Non-Residential Service. The Cost Calculation will include labor and materials used in constructing the line extension, as well as engineering, right-of-way acquisition and clearing to the extent undertaken by the Cooperative or its agents, and all other costs directly attributable to the extension.

**Delivered Energy** – The total energy (kWh) delivered to a Member during a billing cycle through the Cooperative's Delivery System.

**Delivery System** – The electric lines and other equipment, including transformers, owned by Cooperative, and the meters, including non-Cooperative owned meters, used in the delivery of electric power and energy.

**Development Cost Calculation** – A calculation of the cost to extend electric service to a residential subdivision or development, or non-residential development. The Development Cost Calculation will include labor and materials used in constructing the line extension, as well as engineering, right-of-way

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acquisition and clearing to the extent undertaken by the Cooperative or its agents, and all other costs directly attributable to the extension.

**Distributed Generation (DG)** – An electrical generating facility located at a Member's service location, which may be connected in parallel to the Delivery System.

**Four (4) Coincident Peak (4CP)** – The average of the monthly 15-minute demand for each of the months of June, July, August and September at the same time as the greatest ERCOT system 15-minute demand for the months of June, July, August and September.

**Four (4) Coincident Peak (4CP) Demand** – The demand (kW) measured during the 4CP.

**Good Utility Practice** – The meaning as assigned to this term in the Commission's Substantive Rule 25.5, Definitions.

**Guarantor** – A Member of the Cooperative who takes on a financial responsibility for an Applicant applying for service.

**Holiday** – Days the Cooperative does not consider a Business Day or days the Cooperative observes as holidays by not having hours of operation.

**Individual Private Dwelling** – A fixed, permanent residential structure. This term includes a mobile home that has been affixed in its permanent location. This term does not include self-propelled and non-self-propelled recreational vehicles that have no foundation other than wheels, jacks, or skirting.

**Interconnection** – The physical connection of a DG facility to the utility system in accordance with the requirements of the Interconnection Policy of the Cooperative.

**Interconnection Agreement** – The agreement which sets forth the contractual conditions under which the Cooperative and a Member agree that one (1) or more facilities will interconnect with the Delivery System.

**Installment Plan** – An agreement between the Cooperative and a Residential Service Member that allows the Member to pay an outstanding bill on installments extending beyond the bill's due date.

**Landlord Provision** – An owner or property manager acting as a landlord may apply for service and pay all applicable fees one time. Upon a tenants' disconnection, the landlord is automatically reconnected without being held liable for a tenant's bill nor charged additional establishment or interruption of service fees.

**Load Zone** – A group of electrical buses assigned to the same geographic region as designated by ERCOT.

**Member** – Any Person, firm, corporation, or body politic that has applied for electric service and has paid the Cooperative's membership fee.

**Member Class** – A group of Members with similar electric usage and service characteristics (i.e. residential, small power, large power) taking service under one (1) or more rate schedules.

**Multi-Family Dwelling** – Building(s) containing two (2) or more dwelling units, rented primarily for non-transient use, and with rent paid at intervals of one (1) week or longer. Multi-Family Dwelling includes residential condominiums, whether rented or owner occupied.

**Municipality** – A city, incorporated village, or town, existing, created, or organized under the general, home rule, or special laws of the State of Texas.

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**Net Operating Margins** – The excess revenue remaining after all operating expenses, including but not limited to, cost of power, depreciation, interest, and taxes have been deducted from the Cooperative’s total operating revenue.

**Non-Residential Service** – Service provided to Members who meet the qualifications for service in Section 500.2.2, Non-Residential Service.

**Parallel Operation** – The operation of on-site DG while the customer connects to the Cooperative’s Delivery System.

**Payment Plan** – Any agreement between the Cooperative and a Member that allows a Member to pay the outstanding bill after its due date.

**Peak Demand** – The maximum demand (kW) of power consumed measured on an hourly interval basis during the Peak and the Super Peak time periods as applicable.

**Person** – Any natural person or business entity or trust.

**Point of Delivery** – The point, as determined by the Cooperative, at which electric power and energy leaves the Delivery System. For residential installations, the Applicant will install and be solely responsible for the wiring of the installation and all service entrance wiring through the weather head and the meter base to the Applicant’s main disconnect switch or service center. For non-residential installations, the Applicant will install and be solely responsible for the wiring of the installation on Applicant’s side of the Point of Delivery regardless of the metering location provided that the voltage service level at the metering location is the same as that of the delivery point.

**Premises** – A tract of land or real estate including buildings and other appurtenances thereon.

**Primary Account** – For a Member that has multiple accounts, the account to which the membership fee is assigned and determines the Members’ voting district.

**Primary Level Service** – Service delivered at any one of the Cooperative’s standard service voltages delivered after one (1) Cooperative transformation (other than by use of autotransformers) from a transmission voltage.

**Qualifying Cogenerator** – The meaning as assigned to this term by 16 U.S.C. §796 (18) (C).

**Qualifying Cogeneration Facility** – The meaning as assigned to this term by 16 U.S.C. §796 (18) (B).

**Qualifying Facility** – Either a Qualifying Small Power Producer or Qualifying Cogeneration Facility.

**Qualifying Small Power Producer** – The meaning as assigned to this term by 16 U.S.C. §796 (17) (D).

**Rate** – Includes:

1. Any compensation, tariff, charge, adjustment, credit, rider, fare, toll, rental, or classification that is directly or indirectly demanded, observed, charged, or collected by the Cooperative for a service, product, or commodity; and
2. A rule, practice, or contract affecting the compensation, tariff, charge, fare, toll, rental, or classification.

**Real Time Market** – Energy transactions occurring within the current instant in time in the ERCOT market.

**Received Energy** – The surplus energy generated by a DG system with an Interconnection Agreement received by the Cooperative’s Delivery System during a billing cycle.

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**Residential Service** – Service provided to Members who meet the qualifications for service in Section 500.2.1, Residential, Farm and Ranch Service.

**Secondary Level Service** – Service delivered at any one of the Cooperative’s standard service voltages delivered after two (2) or more Cooperative transformations (other than by use of autotransformers) from a transmission voltage.

**Service** – The term includes any act performed, anything supplied, and any Cooperative Facilities used or supplied by the Cooperative in the performance of its duties.

**Settlement Point Price** – The price calculated for the Load Zone for each 15-minute settlement interval in Real-Time Market operations.

**Tenant** – A Person who is entitled to occupy a dwelling unit to the exclusion of others and who is obligated to pay for the occupancy under a written or oral rental agreement.

**Transmission Level Service** – Service delivered at the Cooperative’s standard transmission service voltage.

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**200 DESCRIPTION OF THE COOPERATIVE'S SERVICE AREA**

PEC may serve all or a portion of the counties and cities listed below.

**200.1 COUNTIES SERVED**

Bell County	Guadalupe County	Mason County
Bexar County	Hays County	Menard County
Blanco County	Kendall County	Real County
Burnet County	Kerr County	San Saba County
Caldwell County	Kimble County	Schleicher County
Comal County	Kinney County	Sutton County
Edwards County	Lampasas County	Travis County
Gillespie County	Llano County	Williamson County

**200.2 FRANCHISE CITIES SERVED**

Austin	Highland Haven	Niederwald
Bertram	Horseshoe Bay	Point Venture
Blanco	Johnson City	Round Mountain
Boerne	Jonestown	Round Rock
Buda	Junction	San Leanna
Bulverde	Kempner	San Marcos
Cedar Park	Kyle	Spring Branch
Cottonwood Shores	Lago Vista	The Hills
Creedmoor	Lakeway	Uhland
Dripping Springs	Leander	Bear Creek
Fair Oaks Ranch	Liberty Hill	Briarcliff
Florence	Marble Falls	Volente
Georgetown	Meadowlakes	Weir
Granite Shoals	Mountain City	Wimberley
Hays	Mustang Ridge	Woodcreek

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**300 GENERAL SERVICE RULES AND REGULATIONS**

**300.1 GENERAL**

This Tariff contains all Rates stated separately by type of service and the rules and regulations of the Cooperative affecting Rates, terms and conditions of service. The Tariff is intended to provide uniformity in the delivery of power and energy services to all Members within the Cooperative's service area.

The Cooperative will construct, own, operate, and maintain its Delivery System in accordance with Cooperative standards and Good Utility Practice for the delivery of electric power and energy.

The Cooperative will provide all Members access to the Delivery System pursuant to this Tariff, which establishes the Rates, terms and conditions, and policies for such access.

The Cooperative Rates will provide access to the Delivery System on a non-discriminatory basis to all Members.

**300.2 AVAILABILITY OF TARIFF**

The Tariff will be accessible on the Cooperative's website or as requested. The Cooperative will provide copies of this Tariff at each office where applications are received, at a Member's request.

**300.3 ALTERNATE LANGUAGE REQUIREMENTS**

The Cooperative may provide information in English, Spanish, and any other language as the Cooperative deems necessary.

**300.4 MEMBER ACCESS TO COOPERATIVE RECORDS**

A Member, upon written request, is entitled to examine and copy (at the Member's expense), at any reasonable time, the books, and records of the Cooperative subject to the conditions of the Cooperative's Open Records Policy.

Requests for information are restricted to Members of the Cooperative. The Open Records Policy does not require the creation of Records (as defined in the Open Records Policy). The Cooperative reserves the right to charge an Open Records fee to the Member, payable in advance, if fulfilling the request, or a series of substantively related requests, requires large amounts of employee time or other materials and services to fulfill the request. All fee amounts are per Section 500.4, Fee Schedule.

Please direct all Member requests for information to:

Open Records Request  
Pedernales Electric Cooperative, Inc.  
P.O. Box 1, Johnson City, TX 78636

- or -

openrecords@peci.com

**300.4.1 SUBPOENA RESPONSE SERVICES**

If records are requested by subpoena, the Cooperative may charge the requester an hourly fee to answer the request. All fee amounts are per Section 500.4, Fee Schedule.

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**300.4.2 EASEMENT RELEASE APPLICATION**

The Cooperative will assess a fee for processing an Application for Easement Release. A Member may contact the Cooperative for an Application for Easement Release. All fee amounts are per Section 500.4, Fee Schedule.

**300.5 WAIVERS**

The Cooperative's credit and deposit requirements are subject to change at any time by the Board of Directors. For good cause, including for natural disasters or other declared emergencies, the Chief Executive Officer may waive, suspend, or modify any credit or deposit requirement, the establishment fee, same day service fee, and reconnection fee for a limited duration to address the circumstances. The Chief Executive Officer must inform the Board of Directors at its next regular meeting of all actions taken.

**300.6 NON-DISCRIMINATION**

The Cooperative will not discriminate based on race, color, nationality, religion, sex, marital status, disability, income level, or source of income, and will not unreasonably discriminate based on geographic location.

**300.7 CREDIT WORTHINESS AND SECURITY DEPOSITS**

**300.7.1 CREDIT REQUIREMENTS FOR RESIDENTIAL APPLICANTS**

The Cooperative will require an Applicant for Residential Service or an existing residential Member to establish and maintain satisfactory credit as a condition of providing service.

Establishment of credit will not relieve any Member from complying with the Cooperative's requirements for prompt payment of bills.

The Cooperative will equally apply credit worthiness to both spouses for twelve (12) months immediately after a divorce.

An Applicant for Residential Service or an existing Residential Service Member can establish satisfactory credit by any of the following:

1. Clearing any unpaid or delinquent balances prior to re-establishing service with the Cooperative;
2. Meeting and adhering to the Cooperative's payment policies and/or Payment Plan such that:
  - a. During the most recent twelve (12) consecutive months of service the Member is not late in paying a bill more than once;
  - b. The Member does not have service disconnected for nonpayment; and
  - c. The Member does not have more than one (1) returned check.
3. Having had a credit risk assessment conducted by the Cooperative or on its behalf and receiving a satisfactory credit risk assessment; or
4. Providing customer history from any electric service provider for the same kind of service within the last two (2) years; was not delinquent more than once in payment of any such electric service account in the most recent twelve (12) consecutive months of service, and provides a satisfactory letter of credit history from the Applicant's previous electric service provider.

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**300.7.2 CREDIT REQUIREMENTS FOR NON-RESIDENTIAL APPLICANTS**

For Non-Residential service, if an Applicant's or existing Member's credit has not been demonstrated satisfactorily to the Cooperative, the Applicant may be required to pay a deposit in an amount not to exceed one-sixth (1/6th) of the annual estimated bill.

An Applicant for Non-Residential Service or an existing non-residential Member can establish satisfactory credit by:

1. Clearing any unpaid or delinquent balances prior to re-establishing service with the Cooperative;
2. Meeting and adhering to the Cooperative's payment policies and/or Payment Plan such that:
  - a. During the most recent twenty-four (24) consecutive months of service the Member is not late in paying a bill more than once;
  - b. The Member does not have service disconnected for nonpayment; and
  - c. The Member does not have more than one (1) returned check.
3. Providing customer history from any electric service provider for the same kind of service within the last two (2) years; was not delinquent more than once in payment of any such electric service account in the twenty-four (24) consecutive months of service, and provides a satisfactory letter of credit history from the Applicant's previous electric service provider; or
4. Having had a credit risk assessment conducted by the Cooperative or on its behalf and receiving a satisfactory credit risk assessment.

**300.7.3 DEPOSITS AND GUARANTEE AGREEMENTS**

**300.7.3.1 NEW APPLICANT**

Upon application, if an Applicant is not credit worthy per Sections 300.7.3.1, New Applicant or Section 300.7.3.2, Existing Member, they will be required to pay the following deposits, unless they qualify and choose the residential Pre-paid Payment Plan or Bank Draft Payment Plan option:

1. A fixed deposit in the amount of one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for Non-Residential service in the event the Applicant fails to provide complete, accurate, and verifiable identification information when requested by the Cooperative when applying for electric service; or
2. A fixed deposit in the amount of either seventy-five dollars (\$75.00) or one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for Non-Residential Service in the event the Applicant fails to either:
  - a. Provide a satisfactory letter of credit history from its previous electric service provider; or
  - b. Receive a satisfactory credit risk assessment conducted by the Cooperative or on its behalf. The amount of the deposit due will be based on a credit risk assessment.

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**300.7.3.2 EXISTING MEMBER**

An existing Member applying for additional electric service is required to pay the following charges, unless they qualify and choose the residential Pre-paid Payment Plan or Bank Draft Payment Plan option:

1. A fixed deposit in the amount of one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for Non-Residential Service in the event the Member fails to provide complete, accurate and verifiable identification information when requested by the Cooperative when applying for additional electric service; or
2. A fixed deposit in the amount of either seventy-five dollars (\$75.00) or one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for a Non-Residential Service in the event the Member failed to satisfactorily demonstrate to the Cooperative the Member's credit worthiness or otherwise demonstrated a previous history of neglect to fulfill membership obligations. Examples include, but not limited to, paying a bill late more than once during the most recent twelve (12) consecutive months of service for Residential or twenty-four (24) consecutive months for Non-Residential Service, disconnection for nonpayment, failure to meet obligations under an installment plan, return of a check for insufficient funds, theft of service, meter tampering, safety code violations or fraud. The Cooperative bases the amount of the deposit due on a credit risk assessment.

If the Member applying for additional electric service has less than twelve (12) consecutive months of service, the Member may provide a satisfactory letter of credit history from its previous electric service provider or have a credit risk assessment conducted by the Cooperative on its behalf and receive a satisfactory credit risk assessment.

**300.7.3.3 ADDITIONAL DEPOSIT**

If the Applicant or existing Member has already paid a fixed deposit, the Applicant may be required to pay an additional deposit up to a total deposit amount not to exceed one-sixth (1/6th) of the annual estimated bill.

**300.7.3.4 DEPOSIT WAIVER DUE TO FAMILY VIOLENCE**

If the Applicant or existing Member has been determined to be a victim of family violence as defined in the Texas Family Code §71.004, such Person will not be required to pay either an initial or additional deposit when establishing new service. This determination will be evidenced by submission to the Cooperative of a certification letter developed by the Texas Council on Family Violence within ten (10) Business Days of the application for service. This waiver will only be applied toward an initial or additional deposit for a single location for the Applicant or existing Member unless another certification letter is later provided. Any reconnections after nonpayment will be subject to payment of the past due balance, reconnection fee, deposits, and any other fees required. All fee amounts are per Section 500.4, Fee Schedule.

**300.7.3.5 REFUSAL OF SERVICE**

The Cooperative may refuse to provide service to an Applicant if the requested deposit is not paid at the initiation of service. The Cooperative may also refuse to reconnect service to an Applicant or existing Member if the requested deposit is not paid upon request.

**300.7.4 GUARANTEES OF RESIDENTIAL MEMBER ACCOUNTS**

The Cooperative will allow an Applicant that cannot meet the credit requirements as defined in Section 300.7, Credit Worthiness and Security Deposits, to have a Guarantor sign an agreement that fulfills the credit requirements on their behalf. A guarantee agreement between the Cooperative

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and a Guarantor with satisfactory credit must be in writing and will be for no more than the amount of the initial deposit the Cooperative would require on the Applicant's account pursuant to Section 300.7.3.1, New Applicant.

1. A Guarantor can establish satisfactory credit by meeting and adhering to the Cooperative's payment policies and/or Payment Plans such that:
  - a. During the most recent twelve (12) consecutive months of service the Guarantor is not late in paying a bill more than once;
  - b. During the most recent twelve (12) consecutive months of service the Guarantor has not had service disconnected for nonpayment; and
  - c. During the most recent twelve (12) consecutive months of service the Guarantor has not had more than one (1) returned check.
2. The Cooperative will void and return the guarantee to the Guarantor according to the provisions of Section 300.7.8, Refunding Deposits and Voiding Letters of Guarantee.
3. Upon default by a residential Member, the Guarantor of that Member's account will be responsible for the unpaid balance of the account only up to the amount agreed to in the written agreement.
4. The Cooperative will provide written notification to the Guarantor of the Member's default, the amount owed by the Guarantor, and the due date for the amount owed.
5. The Cooperative will provide the Guarantor a bill which will include the payment due date which will not be less than sixteen (16) calendar days after issuance.
6. The Cooperative may transfer the amount owed on the defaulted account to the Guarantor's own service bill, provided it separately identifies the guaranteed amount owed on the Guarantor's bill.
7. The Cooperative may disconnect service to the Guarantor for nonpayment of the guaranteed amount.

**300.7.5 AMOUNT OF DEPOSIT**

The total deposit(s) from an Applicant or Member will not exceed one-sixth (1/6th) of the estimated annual billing for the account unless the Member or Applicant is subject to the fixed deposit amount described in Section 300.7.3, Deposits and Guarantee Agreements, in which case the amount of the deposit will not be less than the amount of those fixed deposit(s).

**300.7.6 INTEREST ON DEPOSITS**

The Cooperative will pay interest on any required deposits at an annual rate at least equal to that set by the Commission on December first (1st) of the preceding year, pursuant to Texas Utilities Code §183.003. If a deposit is refunded, payment of interest will be made retroactive to the date of the deposit.

Payment of the interest will be made to the Member annually or at the time the deposit is returned or credited to the Member's account.

The deposit will cease to draw interest on the date it is returned or credited to the Member's account.

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**300.7.7 RECORDS OF DEPOSITS**

The Cooperative will keep the following records:

1. The name and address of each depositor;
2. The amount and date of the deposit; and
3. Each transaction concerning the deposit.

The Cooperative will issue a receipt of deposit to each Applicant paying a deposit and will provide means for a depositor to establish a claim if the receipt is lost.

The Cooperative will maintain a record of each unclaimed deposit for at least four (4) years.

The Cooperative will make a reasonable effort to return unclaimed deposits.

**300.7.8 REFUNDING DEPOSITS AND VOIDING LETTERS OF GUARANTEE**

If service is not connected or is disconnected, the Cooperative will promptly refund the Applicant's deposit, plus accrued interest on the balance, if any, in excess of the unpaid bills for service furnished and void and return to the guarantor all letters of guarantee on the account or provide written documentation that the contract has been voided.

The Cooperative will promptly refund the deposit plus accrued interest to the Member or credit the amount of the deposit and accrued interest to the Member's account or void and return the guarantee or provide written documentation that the contract has been voided when the following conditions are all met.

1. Member has paid bills for Residential Service for twelve (12) consecutive billing months or when the Member has paid bills for Non-Residential Service for twenty-four (24) consecutive billing months;
2. During that time service was not disconnected for nonpayment of a bill; and
3. During that time Member was not delinquent in the payment of bills more than once.

The deposit may be retained if the Member:

1. Does not meet the foregoing refund criteria; or
2. Failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

The letter of guarantee may be retained if the Member does not meet the foregoing refund criteria.

**300.7.9 RE-ESTABLISHMENT OF CREDIT**

A Member whose service has been disconnected for nonpayment of bills or theft of service (meter tampering or bypassing of meter) will be required, before service is reconnected, to pay all amounts due to the Cooperative, including reconnection and other applicable fees, and reestablish credit. All fee amounts are per Section 500.4, Fee Schedule.

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**300.8 ESTABLISHING MEMBERSHIP**

**300.8.1 ESTABLISHING MEMBERSHIP AND MEMBERSHIP FEE**

Membership in the Cooperative is required for service. A Person that is a Member of the Cooperative will be entitled to a single or joint membership, no matter how many meters or accounts the Member has. A fee will be required with the initial application for service and establishes the Primary Account. At that time, the fee will be applied to the Member's open account or applied to the outstanding account balance of the last open account. Termination of membership does not release a Member or Member's estate from debts owed to the Cooperative. Additional fees may be required for each additional service connection requested by the Member, but the Cooperative will not charge an additional membership fee due to the creation of additional service connections by the Member. The Cooperative will retain the membership fee until the membership terminates or the property sells. All fee amounts are per Section 500.4, Fee Schedule.

**300.8.2 ESTABLISHMENT OR TRANSFER FEE**

There will be a fee collected for connecting service and/or transferring account information per service location. All fee amounts are per Section 500.4, Fee Schedule.

**300.9 SERVICE**

This section applies to all locations within the Cooperative's service area, according to the type of service provided and subject to the provisions of the Cooperative's Rates and Line Extension Policy and any other applicable provisions of the Tariff. These rules will not relieve in any way the Cooperative or Member from any of their duties under the laws of the State of Texas or the United States.

**300.9.1 CONDITIONS OF SERVICE**

The Cooperative will provide electric service to all Applicants within its service area, provided the following conditions are met:

1. The Applicant pays a membership fee and any other amounts required by the Cooperative's rules, including amounts required in Section 300.7, Credit Worthiness and Security Deposits;
2. The Applicant is not delinquent on a past or present account;
3. The Applicant accepts the terms for membership and rules for service, and provides the Cooperative with information reasonably required to verify the identity of the Applicant;
4. The Applicant provides a billing address or an email address for purposes of billing notification;
5. The Applicant grants the Cooperative easement rights and acquires all necessary easements from adjacent landowners on a form acceptable to the Cooperative for its facilities. All costs and expenses, if any, related to the acquisition of easements to serve the Applicant will be the responsibility of the Applicant, including the Cooperative's costs and expenses if the Cooperative participates in the acquisition of the easements through condemnation proceedings;
6. The Applicant provides a meter loop conforming to the Cooperative's standards and the National Electrical Code (NEC);
7. The Applicant's installation and equipment must not be hazardous or of such type that satisfactory service cannot be given;
8. The Applicant will grant access to the Cooperative or its authorized contractors or agents at all reasonable hours, or at any hour if for the sole purpose of restoring power, maintaining,

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upgrading, construction, or repairs of Cooperative Facilities, and perform other activities necessary to provide electrical service, including collection activity and vegetation management that in the opinion of the Cooperative may constitute a hazard to Cooperative personnel or facilities, or to the provision of electrical service. Applicant may ask the authorized contractor or agent to exhibit a photo identification badge to gain access. Failure to provide access to Cooperative Facilities may result in suspension of electrical service; and

9. The Cooperative can provide service from existing Cooperative lines or the Cooperative can build new power lines as detailed in Section 400, Line Extension Policy.

**300.9.2 TIMING OF SERVICE**

Applications for new electric service not involving line extensions or construction of new facilities will be connected no later than three (3) Business Days after the Applicant has met the credit requirements in Section 300.7, Credit Worthiness and Security Deposits, and complied with all applicable state and municipal regulations.

**300.9.3 SAME DAY SERVICE FEE**

If an Applicant or a Member requests same day connection or reconnection due to nonpayment, any time outside of 8:00 am to 5:00 pm on Business Days, the Cooperative will collect a fee for providing service the same day. All fee amounts are per Section 500.4, Fee Schedule.

**300.9.4 SERVICE TO RENTAL LOCATION**

The Cooperative's preference is for Individual Private Dwellings or Multi-Family Dwellings to be separately metered and will be subject to all related provisions and fees herein.

Owners, operators, proprietors, or lessors who provide leased or rented units and require continued service during periods of vacancies will be required to make application for electric service for each leased or rented unit and are encouraged to utilize the Landlord Provision. Owners, operators, proprietors, or lessors will be obligated to pay for such service and are not required to pay an establishment fee each time a vacancy occurs.

Any tenant may request electric service disconnection for their account and the Cooperative will disconnect service as soon as reasonably possible. If an owner, operator, proprietor, or lessor, establishes an account as provided in this section, those people will be obligated to pay for service during any periods of vacancy.

Upon sale of property, the owners, operators, proprietors, or lessors are responsible for notifying the Cooperative to update the account status. The owners, operators, proprietors, or lessors are responsible for all bills at the locations until such time of notice.

**300.9.5 REFUSAL OF SERVICE**

The Cooperative may refuse to serve an Applicant for any of the following reasons:

1. The Applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given, or the Applicant's facilities do not comply with all applicable state and municipal regulations;
2. The Applicant fails to comply with the Cooperative's Tariff pertaining to operation of nonstandard equipment or unauthorized attachments, which interfere with the service of others. The Cooperative will provide the Applicant notice of such refusal and a reasonable amount of time to comply with the Cooperative's Tariff;
3. The Applicant applies for service at a location where another Member has received, or continues to receive, service and the bill is unpaid at that location, and the Cooperative can

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prove the change in identity is made in an attempt to help the other Member avoid or evade payment of the Cooperative's outstanding bill.

4. The Applicant refuses or fails to permit the Cooperative or its authorized contractor or agents access to Cooperative Facilities whether located either at the Applicant's property or across the Applicant's property;
5. The Applicant owes a debt to the Cooperative for the same kind of service requested;
6. The Applicant refuses to pay a deposit that is required in Section 300.7.3, Deposits and Guarantee Agreements; or
7. The Applicant's guarantor on any account refuses to pay the amount agreed to under a guarantee agreement.

If the Cooperative has refused to serve an Applicant, the Cooperative will inform the Applicant of the reason for its refusal and the Applicant may file a complaint as referenced in Section 300.14.4, Member Complaints.

**300.9.6 CONTINUITY OF SERVICE**

The Cooperative endeavors to provide continuous electric service but makes no guarantees against interruptions. The Cooperative will make all reasonable efforts to prevent interruptions of service. When interruptions occur, the Cooperative will re-establish service within the shortest possible time. If continuous service at a constant voltage is required, the Member must install the necessary equipment. Should Members require three-phase service, they will be responsible for providing and operating such protective equipment as is necessary to protect their equipment from damage resulting from loss of power to one (1) or more phases. If electric service interruption occurs, the Member must determine if the equipment and wiring is functioning properly. Cooperative personnel will not make repairs to Member's wiring or equipment.

The Cooperative will not be held liable for damages caused by interruption, failure to commence delivery, or voltage, wave form, or frequency fluctuation caused by interruption or failure of service or delay in commencing service due to accident or breakdown of plant, lines, or equipment, strike, riot, act of God, order of any court or judge granted in any bona fide adverse legal proceedings, or action or any order of any commission or tribunal having jurisdiction; or, without limitation by the preceding enumeration, any other act or things due to causes beyond its control, to the negligence of the Cooperative, its employee, or contractors, except to the extent that the damages are occasioned by the gross negligence or willful misconduct of the Cooperative.

**300.9.7 DISCONTINUATION OF SERVICE**

**300.9.7.1 VOLUNTARY MEMBER DISCONNECTION**

A Member may request disconnection, and the Cooperative will disconnect the service on the date requested by a Member or no later than three (3) Business Days after such date.

**300.9.7.2 COOPERATIVE DISCONNECTION**

**300.9.7.2.1 DISCONNECTION WITH NOTICE**

The Cooperative may disconnect service after proper notice, as referenced in Sections 300.11, Billing and Payment, and 300.9.1, Conditions of Service, for the following reasons:

1. Failure to pay a bill for Cooperative services or make a payment arrangement by the date of disconnection and the account is delinquent;

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2. Failure to comply with the terms of any payment agreement;
3. Failure to pay a deposit when required;
4. Failure to pay a guaranteed amount when required;
5. Violation of the Cooperative's rules on using service in a manner which interferes with the service of others or the operation of nonstandard equipment, if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation; or
6. Refusal or failure to permit the Cooperative or its authorized contractors or agents access to Cooperative Facilities, whether located either at the Member's property or across the Member's property, if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation described in the notice; or
7. Paying a delinquent account balance with a check returned to the Cooperative for insufficient funds.

**300.9.7.2.2 DISCONNECTION WITHOUT PRIOR NOTICE**

The Cooperative may disconnect service without prior notice for any of the following reasons:

1. Where a known dangerous condition exists. Where accessible, given the nature of the hazardous condition, the Cooperative will post a notice of disconnection and the reason for the disconnection at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected;
2. Where the Cooperative discovers that service is being obtained in any unlawful manner;
3. If required by any official having authority to order such disconnection (where possible with prior notice);
4. Where service is connected without authority;
5. Where service was reconnected without authority after termination for nonpayment; or
6. Where there has been tampering with the Cooperative's equipment or evidence of theft of service.

**300.9.7.2.3 DISCONNECTION PROHIBITED**

The Cooperative may not disconnect service for any of the following reasons:

1. Delinquency in payment for the Cooperative's service by a previous occupant of the premises;
2. Failure to pay disputed charges, except for the required average billing payment, until a determination as to the accuracy of the charges has been made by the Cooperative and the Member has been notified of this determination; or

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3. Failure to pay charges arising from an under-billing due to any faulty metering, unless the under-billing arises from a theft of service by a Member.

**300.9.7.2.4 DISCONNECTION DUE TO COOPERATIVE ABANDONMENT**

The Cooperative will not abandon a Member or a certified service area without written notice to its Members and all similar neighboring utilities, and approval from the Commission.

**300.9.7.2.5 DISCONNECTION OF PAYMENT ASSISTANCE MEMBERS**

The Cooperative cannot terminate service to a delinquent residential Member for a billing period in which the Cooperative receives a pledge, letter of intent, purchase order, or other notification that an energy assistance provider is forwarding sufficient payment to continue service.

**300.9.7.2.6 DISCONNECTION DURING EXTREME WEATHER**

The Cooperative will not disconnect a residential Member on a day when:

1. The previous day's highest temperature did not exceed thirty-two (32) degrees Fahrenheit, or the temperature is predicted to be at or below that level for the next twenty-four (24) hours, according to the local National Weather Service (NWS) reports for the Member's designated territory, eastern or western; or
2. The previous day's highest temperature exceeded one hundred (100) degrees Fahrenheit, or the predicted temperature is to be at or above that level for the next twenty-four (24) hours, according to the local NWS reports for the Member's designated territory, eastern or western.

**300.9.7.2.7 DISCONNECTION DURING WEEKEND OR HOLIDAY**

The Cooperative will not disconnect a Member on a weekend day or Holiday.

**300.9.7.2.8 DISCONNECTION NOTICES**

Any disconnection notice issued by the Cooperative to a Member will:

1. Not be issued before the first calendar day after the bill is due, to enable the Cooperative to determine whether the payment was received by the due date;
2. Be a separate mailing, electronic notice, or hand-delivered notice with a stated date of disconnection with the words "disconnection notice" or similar language prominently displayed;
3. Have a disconnection date not less than seven (7) calendar days after the Cooperative issues notice;
4. Be written in English and Spanish; and
5. Include a statement notifying the Member that if they need assistance paying their bill by the due date, or are ill and unable to pay their bill, they may be able to make an alternate Payment Plan, establish an installment plan, or possibly secure payment assistance. The notice will also advise the Member to contact the Cooperative for more information.

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**300.9.8 SWITCHOVER AND DISCONNECT FEES**

In cases where the Cooperative provides electric service to a Member and the Member requests disconnection to obtain electric service from another utility certified to that area, the following rules will apply.

1. The Member will request the Cooperative, in writing, to disconnect electric service from the desired location.
2. The Member will pay the following charges prior to disconnection:
  - a. All applicable fees and costs to cover labor and transportation costs involved in the disconnection;
  - b. A charge for distribution facilities rendered idle from the disconnection and not useable elsewhere on the system based on the original cost of such facilities less accumulated depreciation, salvage, and any previous CIAC;
  - c. A charge for the labor and transportation costs involved in removing any idle facilities. This charge only applies if the disconnecting Member requests removal, if removal is required for safety reasons, or if the salvage value of the facilities does not exceed such removal costs; and
  - d. All charges for electric service up to the date of disconnection.

Upon payment of the above charges, the Member will receive a paid receipt from the Cooperative for presentation to the connecting utility.

The Cooperative will advise the Member that the connecting electric utility may not provide service to Member until such connecting utility has evidence that the Member has paid all charges provided for under this tariff.

All fee amounts are per Section 500.4, Fee Schedule.

**300.9.9 RECONNECTION FEE**

The Cooperative will assess a fee for reconnection after nonpayment. Service reconnections for nonpayment after business hours are at the Cooperative's discretion. In the event the Cooperative performs any service reconnections for nonpayment after business hours on Monday through Sunday, the Member must pay a non-refundable same day service fee prior to reconnection. This fee is in addition to the past due balance, reconnection fee, deposits and any other fees required. All fee amounts are per Section 500.4, Fee Schedule.

**300.9.10 MEDICAL NECESSITY PROGRAM**

The Cooperative will maintain a registry of Residential Service locations where people rely on life-sustaining electrical equipment. To be considered for this program a Member must complete, submit and have approved by the Cooperative a Medical Necessity Program Application, Appendix 700.4.

To qualify, the location must house someone diagnosed by a physician in one of the following categories:

1. Chronic – Having been diagnosed by a physician as requiring an electric-powered device to prevent the impairment of major life function. To maintain chronic designation, Members must reapply once a year;

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2. Chronic, lifelong – Same as chronic, but does not require annual application;
3. Critical care – Having been diagnosed by a physician as requiring an electric-powered device to sustain life. To maintain critical care designation, Members must reapply once every two (2) years; or
4. Critical care, lifelong – Same as critical care, but does not require biennial application.

When planned outages or service interruptions for nonpayment are scheduled, the Cooperative will attempt advance notice so preparations can be made. This Program does not guarantee priority electric service restoration, and locations registered in the program are not exempt from planned service interruptions, nor are registered Members exempt from their financial responsibilities or from the termination of service.

**300.9.11 CRITICAL LOAD PROGRAM**

The Cooperative will maintain a registry of non-residential service locations that can be classified as public safety, industrial, or natural gas infrastructure. To be considered for this program a Member must complete, submit, and have approved by the Cooperative a Critical Load Program Application.

To be considered, the location must fall into one of the following categories:

2. Public Safety – A Member for whom electric service is considered crucial for the protection or maintenance of public safety, including but not limited to hospitals, police stations, fire stations, and critical water and wastewater facilities.
3. Industrial – An industrial Member for whom an interruption or suspension of electric service will create a dangerous condition or significant disruption on the member's premises.
4. Natural gas infrastructure – A Member that supports natural gas-fired generation, including gas control center or gas compressor plant.

When planned outages or service interruptions for nonpayment are scheduled, the Cooperative will attempt to provide advance notice so preparations can be made. For unplanned outages, the Cooperative will prioritize Critical Load Program participants for restoration as much as practicable. This Program does not guarantee priority electric service restoration, and locations registered in the program are not exempt from planned service interruptions, nor are registered Members exempt from their financial responsibilities or from the termination of service.

**300.9.12 RECORD OF INTERRUPTION**

The Cooperative will keep records of sustained interruptions. Where practical, the Cooperative will keep a complete record of all momentary interruptions. These records will show the type of interruption, the cause for the interruption, the date and time of the interruption, the duration of the interruption, the number of Members interrupted, the substation identifier, and the transmission line or distribution feeder identifier. The Cooperative will retain records of interruptions for five (5) years.

**300.10 EMERGENCY OPERATIONS PLAN**

The Cooperative will maintain an emergency operations plan as required by the Commission.

**300.11 BILLING AND PAYMENT**

Once service has been established, Members will begin to receive bills on a recurring monthly basis per the billing cycle selected. The billing date will be posted on the Member's bill and refers to the date the bill has been generated. Service dates are included and refer to the days of service within that billing period. The payment due date is provided on the billing statement accompanied with the total amount

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due. The payment due date will not be less than sixteen (16) calendar days after the bill has been generated. The word “estimated” will be shown prominently displayed on a bill, if necessary, to identify an estimated bill. The Cooperative may submit estimated bills for good cause provided an actual meter reading is unavailable. Payments will be considered delinquent if not paid by the due date as stated on the monthly bill provided.

**300.11.1 BILLING RECORDS RETENTION**

The Cooperative maintains monthly billing records for each account for at least three (3) years after the mailed bill date. The billing records will contain sufficient data to reconstruct a Member’s billing for a given month. Members may request copies of their account’s billing records.

**300.11.2 PAYMENT**

All bills for electric service are payable via any of the payment options offered by the Cooperative.

The Cooperative may discontinue service to Members who fail to pay for service within seven (7) calendar days from the date of the delinquent notice.

Members may arrange a Payment Plan with the Cooperative to prevent disconnection for non-payment of a delinquent account.

**300.11.3 PAYMENT PLANS**

**300.11.3.1 PRE-PAID PAYMENT PLAN**

This plan allows Members to deduct the costs for electric service from a credit on the account placed in advance of usage. Members enrolled in this option agree to an automatic service disconnection when their account reaches a zero (0) debit balance or more.

**Applicability**

This plan is available to Members enrolled in a residential service rate with a remote connect/disconnect enabled meter. This payment option may not be combined with an Installment Plan or any other Payment Plan. Members enrolled in time-of-use, interconnect, or community solar rate are ineligible for this payment option. Additionally, Members with three-phase service, participating in the advanced metering opt-out program, on the medical necessity program, or in the critical load program, are ineligible for enrollment.

Members with an outstanding account balance must bring their balance to zero (0) or agree to an arrangement for payment of the outstanding balance prior to enrollment. If the Member enters into an arrangement for payment, PEC will apply fifty percent (50%) of every payment to the outstanding balance and fifty percent (50%) to the pre-paid account balance until the Member pays the outstanding balance in full. Once enrolled, Members may not enter into a subsequent arrangement for payment of an outstanding account balance.

**Requirements**

To qualify for this option, Members must:

1. Have a valid email account or phone number to receive notifications;
2. Consent to receive notifications regarding this payment option, including electronic mail or messages, phone messages or texts, at any electronic mail address or phone number provided to the Cooperative;
3. Agree to update contact information upon any changes to such information; and

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4. Have a remote connect/disconnect enabled meters installed at the service location.

**Plan Details**

**Member Agreement** – Upon enrollment, Member agrees to all terms and conditions of this option.

**Initial Balance** – A minimum credit balance of twenty-five dollars (\$25.00) will be required upon enrollment in this option. Existing Members may apply deposit funds towards the minimum credit balance.

**Deposits** – Members enrolling in this option with credit worthiness are not required to post an account deposit. If an Applicant's or existing Member's credit has not been demonstrated satisfactorily to the Cooperative, a fifty-dollar (\$50.00) deposit will be required.

The Cooperative may apply any portion of a Member's existing deposit to pre-paid account balance.

**Notices** – The Cooperative provides Members with Member-controlled and system generated notices regarding their pre-paid account balance and electric service connection status. Members may elect to receive notices via phone call, email, or text message. The Cooperative provides a system-generated low balance notice when the account balance becomes less than ten dollars (\$10.00). Members are responsible for setting up their own Member-controlled notices via the Cooperative's online account management system.

**Disconnections** – Section 300.9.7, Discontinuation of Service, other than Section 300.9.7.2.7, Disconnection during Weekend or Holiday, will not apply to Members on this option. Disconnections take place when the Cooperative sends the depleted balance notice, which is the last notice provided.

**Rates and Fees** – Membership and establishment fees apply to Members enrolled in this option. Members on this option will not be subject to same day service fees, late, or reconnection fees. All fee amounts are per Section 500.4, Fee Schedule. Rates apply as per Section 500, Rates, with the exceptions listed below.

1. The service availability charge will be converted to a daily rate; and
2. Service availability charges will continue to accrue daily on connected meter, even if energy consumption does not occur.

**Reconnection** – Once the required payment posts to the account, reconnection takes place. The payment must cover:

1. All balances owed for services provided;
2. Amounts agreed upon in Payment Plan if applicable; and
3. The required minimum credit balance of twenty-five dollars (\$25.00). Pre-paid accounts may not enter into an outstanding balance Payment Plan to achieve reconnection. All acceptable forms of payment that cover the amounts listed above will result in reconnection.

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If a Member terminates service or the account disconnects for nonpayment and remains disconnected for seven (7) Business Days, the Cooperative will settle and final bill the account.

Billing; Late Payment Processing Fees; Transfers of Delinquent Balances and Record Retention – Sections 300.9.12 through 300.11.1 do not apply to Members on this option except for Section 300.11.10, Transfers of Delinquent Balances.

Cancellation – A Member may choose to convert the account to another payment option at any time. The Member or the Cooperative may cancel enrollment on this option upon notification to the other party. Upon cancellation, the accumulated balance of the Member's account will become due and payable.

**300.11.3.2 INSTALLMENT PLAN**

This plan is an agreement between the Cooperative and a residential Member that allows the Member to pay installments that extend beyond the due date of the next bill. The Cooperative may offer this plan to any residential Member who has expressed an inability to pay and meets the criteria specified in the Cooperative's Tariff and has not been delinquent more than once in the last twelve (12) months.

The Member will pay the current bill each month, plus the agreed upon portion of the amount deferred. Failure to fulfill the terms of the agreement will result in discontinuance of service and all amounts owed will become due immediately.

The Cooperative may decline to offer this plan if, in the Cooperative's judgment, the Member is lacking sufficient credit or satisfactory history to warrant further extension of credit or if the Member has failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

**Plan Details**

1. This plan may be established in person or by telephone;
2. This plan must be put in writing and provided to the Member;
3. This plan must allow for the delinquent amount be paid in negotiable installments;
4. This plan must state the length of time covered by the plan, the total amount to be paid, and the specific amount of each installment;
5. This plan must permit the Member or the Cooperative to initiate a renegotiation of the installment plan if the Member's circumstances change substantially during the time of the plan;
6. This plan must allow the Cooperative to disconnect service if the Member does not fulfill the terms of the installment plan, and will state the terms for disconnection;
7. This plan may not be offered more than once per year; and
8. This plan offered by the Cooperative will state in boldface type the following:

“If you are not satisfied with this agreement or if agreement was made by telephone, and you feel this document does not reflect your understanding of that agreement, contact the Cooperative immediately. If you do not contact the Cooperative, you may

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give up your right to dispute the amount due under the agreement except for the Cooperative's failure or refusal to comply with the terms of this agreement."

**300.11.3.3 FIXED PAYMENT PLAN**

This plan allows a Member to pay a fixed amount per month based on twelve (12) months total billings. A true up and recalculation will be required no more than every twelve (12) months. Upon such true up and recalculation, the Cooperative will either credit or debit from the account as applicable any overpayments or underpayments. The Cooperative will add the amount of any underpayment to the amounts due. The Cooperative will deduct the amount of any overpayment from any amounts owed.

This plan applies to the Residential Service only. Members may enroll anytime with participation beginning with the first bill rendered after enrollment. Either the Member or the Cooperative may cancel the plan upon notification to the other party. Upon cancellation, any accumulated balance of the Member's account will become due and payable, or if a credit will be applied to the Member's account. The Cooperative may decline to offer this plan if, in the Cooperative's judgment, the Member is lacking sufficient credit or satisfactory history to warrant payment plans or if the Member has failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

**300.11.3.4 AVERAGE PAYMENT PLAN**

This plan allows a Member to pay a rolling twelve (12) month average. This plan applies to Residential Service only. Members may enroll in this plan anytime with participation beginning with the first bill rendered after enrollment. Either the Member or the Cooperative may cancel the plan upon notification to the other party. Upon cancellation, any accumulated balance of the Member's account will become due and payable, or if a credit will be applied to the Member's account. The Cooperative may decline to offer this plan if, in the Cooperative's judgment, the Member is lacking sufficient credit or satisfactory history to warrant payment plans or if the Member has failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

**300.11.3.5 CREDIT CARD PAYMENT PLAN**

This plan allows Members to authorize the Cooperative to process a monthly payment through their payment card. The amount processed will be for the full balance due each month and will be processed automatically on the bill due date.

**300.11.3.6 BANK DRAFT PAYMENT PLAN**

This plan allows Members to authorize the Cooperative to process a monthly payment by drafting a checking account. The amount drafted will be for the full balance due each month and will be drafted automatically on the bill due date.

**300.11.4 LATE PAYMENT PROCESSING FEES**

Until the Cooperative receives the payment, bills are considered unpaid; a payment is delinquent if not received at the Cooperative by the due date shown on the bill.

Residential accounts not paid by the due date may be assessed a fee to cover the cost of processing late payments. All fee amounts are per Section 500.4, Fee Schedule.

All Non-Residential accounts, other than state agencies or other governmental entities that the Cooperative has approved as being subject to Texas Government Code Chapter 2251, not paid by the due date may be assessed a fee to cover the cost of processing late payments. All fee amounts are per Section 500.4, Fee Schedule.

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Any governmental entity asserting eligibility to receive bills under Texas Government Code Chapter 2251 may file a written notice asserting their eligibility, and the Cooperative will determine whether the entity is subject to that statute. All bills rendered to state agencies or other governmental entities that the Cooperative approves subject to Texas Government Code Chapter 2251, will be in accordance with that statute.

**300.11.5 LOAN LATE FEES**

Payment for a consumer loan to a Member with the Cooperative not paid by the due date may be assessed a late payment fee after ten (10) calendar days of non-payment. All fee amounts are per Section 500.4, Fee Schedule.

**300.11.6 RETURNED CHECK / DENIED BANK DRAFT / DENIED CREDIT CARD**

If a check for payment is returned, the Cooperative will debit a Member's account for the amount on each returned check, plus a returned check fee. If a payment is denied through an account setup for automatic payment bank draft, the Cooperative will debit the Member's account for the denied amount, plus a non-sufficient funds fee. If a payment is denied through an account setup for automatic credit card draft, the Cooperative will not post payment and an alternate form of payment must be arranged by the Member. If the Member pays a delinquent account balance and the check returns to the Cooperative for insufficient funds, the Cooperative will proceed to disconnect the Member's account. All fee amounts are per Section 500.4, Fee Schedule.

**300.11.7 PAYMENT DEADLINE EXTENSION**

Upon request of a Residential Member, and at the Cooperative's discretion, the Cooperative may extend without penalty the payment date until the twenty fifth (25th) calendar day after the bill is issued.

**300.11.8 PAYMENT DEADLINE EXTENSION FOR ELDERLY RESIDENTIAL MEMBERS**

Upon request of a Residential Member sixty (60) years of age or older, the Cooperative will extend without penalty the payment date until the twenty fifth (25th) calendar day after the date the bill is issued. The Cooperative may require the Member requesting the extension to present reasonable proof of age.

**300.11.9 NON-PAYMENT DISCONNECT AND RECONNECT FEE**

A fee will be charged if the Cooperative dispatches a service representative to collect a delinquent bill. This fee will be included in the collection amount. Failure to pay a service representative the full amount owed at the time may result in immediate disconnection of service.

If the Member's service is disconnected, a reconnection will not be made until the account is paid in full and a reconnection fee together with a deposit is paid and when applicable a same day service fee.

Under no circumstances will the Cooperative be liable for losses incurred resulting from the disconnection of service due to a Member's failure to pay for electrical service or any other reason for disconnection required by the Cooperative's policies.

All fee amounts are per Section 500.4, Fee Schedule.

**300.11.10 TRANSFERS OF DELINQUENT BALANCES**

If the Member has an outstanding balance due from another account in the same Member Class, then the Cooperative may transfer that balance to the Member's current account. Notwithstanding the foregoing, if the Member has an outstanding balance due from an account in a different Member

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Class that is a sole proprietorship, then the Cooperative may transfer that balance to the Member's current account, and identify the delinquent balance and specific account as such on the bill.

**300.12 VOLTAGE DESIGNATIONS**

The Cooperative will deliver electric power and energy at one of the Cooperative's standard voltages. Non-standard service may be available if requested but only if the Cooperative determines such service is feasible, and the Applicant agrees to pay any additional cost to the Cooperative for delivering such non-standard service.

The Cooperative adopts the following standard voltages for electric service distribution:

Standard Service	
Single Phase	Three Phase
120 / 240 V	120 / 208 V (wye)
	277 / 480 V (wye)

Non-Standard Service	
Single Phase	Three Phase
*7,200 V	120 / 240 V (delta)*
*14,400 V	480 V (delta)*
	1,328 / 2,300 V (wye)*
	2,300 / 4,160 V (wye)*
	7,200 / 12,470 V (Primary Service)*
	14,400 / 24,900 V (Primary Service)*

Transmission Service	
Single Phase	Three Phase
	69,000 V
	138,000 V

\*These voltages are available at the Cooperative's discretion.

These voltage designations are nominal design voltages. The Cooperative maintains actual normal delivery voltages so far as practicable within variations permitted by industry standards. Members are encouraged to obtain the phase and voltage of the service available from the Cooperative before committing to the purchase of motors or other equipment.

**300.13 MEASUREMENT AND METERING OF SERVICE**

**300.13.1 METERING REQUIREMENTS**

**Use of meter** – Except where otherwise provided by the applicable rate schedule or contract, the Cooperative charges all electricity consumed or demanded by the Member by meter measurements.

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**Installation** – The Cooperative will provide, install, own, and maintain all meters necessary for the measurement of electric energy to its Members.

**Standard type** – All meters will meet industry standards. Special meters used for investigation or experimental purposes are not required to conform to these standards.

**Location of meters** – Meters and service switches in conjunction with the meter will be installed in accordance with the latest revision of American National Standards Institute (“ANSI”), Incorporated, Standard C12 (American National Code for Electricity Metering), and will be readily accessible for reading, testing, and inspection, where such activities will cause minimum interference and inconvenience to the Member.

Member will provide, without cost to the Cooperative, at a suitable and easily accessible location:

1. Sufficient and proper space for installation of meters and other apparatus of the Cooperative;
2. Meter socket;
3. Meter loop;
4. Safety service switches when required; and
5. An adequate anchor for service drops.

Where the meter location on the Member's premises changes at the request of the Member or due to alterations on the Member's premises, the Member will provide and have installed at their expense, all wiring and equipment necessary for relocating the meter.

**Accuracy requirements** – The Cooperative will not place in service or leave in service any meter that violates the test calibration limits as set by ANSI. Whenever a meter violates limits on installation, periodic, or other tests, the Cooperative will adjust or exchange it.

The Cooperative adjusts meters, as closely as practicable, to the condition of the limits as set by ANSI.

**300.13.2 METER RECORDS**

The Cooperative will keep the following records:

**Meter equipment record** – The Cooperative will keep a record of all of its meters, showing the Member's address and date of the last test. For special meters used for investigation or experimental purposes, the record will state the purpose of the investigation or experiment.

**Records of meter tests** – The Cooperative will properly reference all meter tests completed on the meter record. The record of each test completed at the service location will show the identifying number, constants of the meter, standard meter, and measuring devices used. Additionally, records will provide the test date, type of test performed, name of technician, level of accuracy (or percent error) at each load tested, and sufficient data to permit the verification of test results.

**300.13.3 METER READINGS**

Meters are read by the Cooperative on regular monthly intervals.

**300.13.4 METER TESTING**

**Meter tests prior to installation** – The Cooperative will establish the accuracy of every meter prior to its permanent installation. Unless the Cooperative has already tested a meter within the last

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twelve (12) months, the Cooperative will test and adjust any meter removed and/or replaced from service.

Testing of meters in service – Meter test periods for all types of meters will conform to the latest edition of ANSI Standard C12 unless specified otherwise by the Cooperative. The Cooperative, upon the request of a Member, will test the accuracy of the Member's meter. If the Cooperative or an authorized agency tests a meter at the Member's request and the Member request a new test within a period of four (4) years, the Cooperative will charge a meter test fee to the Member. The fee must be paid prior to fulfilling the request. All fee amounts are per Section 500.4, Fee Schedule.

Following the completion of any requested test, the Cooperative will advise the Member of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

**300.13.5 ADJUSTMENTS DUE TO METER ERRORS**

If the Cooperative finds any meter to be out of compliance with the accuracy standards, the Cooperative will render corrected readings and adjust bills for the period of over-billing or under-billing as described herein in Section 300.11, Billing and Payment.

No refund is required from the Cooperative except to the Member last served by the meter prior to the testing.

If a meter is found to not register for any period, the Cooperative will estimate and charge for units used, but not metered for the under-billed period as described herein in Section 300.14.1.1, Under-Billing. The Cooperative estimates charges based on amounts used under similar conditions during the period preceding or subsequent to the period the meter was found not to register, or during corresponding periods in previous years.

**300.13.6 ADVANCE METERING OPT OUT PROGRAM**

This program only applies to residential accounts (excluding residential accounts with interconnection agreements or proprietor accounts). A Member may request to opt out from use of the Cooperative's advanced meter at a service location. The Cooperative may grant such request subject to certain qualifications and conditions.

**300.13.6.1 METER EXCHANGE FEE**

The Cooperative will charge a fee for any meter exchange at any service location already equipped with an advanced meter. Any Member participating in this program for new service locations will be required to pay the Cooperative's establishment fee. All fee amounts are per Section 500.4, Fee Schedule.

**300.13.6.1.1 METER READINGS AND METER READING FEE**

Members may qualify for a monthly or quarterly reading schedule. For Members on a monthly reading schedule, monthly fees will apply and the Cooperative will use the Member's energy consumption history to estimate the monthly bill calculation. The Cooperative will adjust any under-billing or over-billing resulting from the quarterly meter readings after the Cooperative acquires a new meter read.

A Member participating on a monthly reading schedule may request a quarterly reading schedule if the Member has:

1. Paid all bills for service during twelve (12) consecutive months;
2. Not been disconnected for nonpayment;
3. Not had a delinquent payment more than once; and

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4. Not had a check returned more than once.

For Members on a quarterly reading schedule, monthly fees will apply and the Cooperative will use the Member's energy consumption history to estimate the monthly bill calculation. The Cooperative will adjust any under-billing or over-billing resulting from the quarterly meter readings after the Cooperative acquires a new meter read.

The Cooperative will charge a fee to each Member participating in this program each month for non-standard manual meter readings by the Cooperative and for processing of such readings for each service location. An additional per mile charge will apply for service locations further than thirty (30) miles from nearest area office. All fee amounts are per Section 500.4, Fee Schedule.

**300.13.7 METER TAMPERING; THEFT OF ELECTRIC SERVICE**

Meter tampering is a criminal offense. Meter tampering includes but is not limited to: bypassing the meter or other instances of diversion, such as physically disorienting the meter; attaching objects to the meter to divert or bypass service; inserting objects into the meter; and other electrical and mechanical means of tampering with, bypassing, or diverting electrical service.

The Cooperative will charge a fee plus all applicable charges for the estimated energy consumption where meter tampering occurred. All fee amounts are per Section 500.4, Fee Schedule.

Furthermore, the Cooperative may choose to file criminal charges against any Person, including any of its Members, when there is evidence of the following:

1. Interference with and/or tampering with any of the Cooperative's equipment, including, without limitation, one (1) or more of its meters (Section 28.03 of the Penal Code of the State of Texas) or any other circumstance listed in this Tariff; and/or
2. Theft of electric service (Section 31.04 of the Penal Code of the State of Texas).

The Cooperative may charge the Member for all labor, material, and equipment necessary to repair or replace all equipment damaged due to meter tampering or bypassing or other service diversion, and other costs necessary to correct service diversion where there is no equipment damage, including incidents where service is reconnected without authority. The Cooperative must provide an itemized bill to the Member of such charges. The Cooperative may also estimate and bill the Member for electric service over the entire period of meter tampering and all labor cost associated with rectifying the offense.

**300.13.8 METER TEST FEE**

Upon request, once every four (4) years, a Member may receive a meter test at no charge. If a Member asks for an additional meter test and the meter is found to be in compliance with ANSI standards, a fee will be incurred. If the meter is found to be out of compliance with the applicable ANSI standard, the Cooperative will not charge a fee to the Member. All fee amounts are per Section 500.4, Fee Schedule.

**300.14 DISPUTE RESOLUTION**

In the event of disputes between a Member and the Cooperative regarding any bill for electric service, the Cooperative will investigate the circumstances and report the results to the Member. If the dispute remains, the Member may meet with a Cooperative representative to resolve it. If unresolved, the Cooperative will advise the Member of the Member complaint procedures of the Cooperative. If the Member files a complaint with the Cooperative, the Cooperative will not disconnect a Member's service for nonpayment of the disputed portion of the bill before the Cooperative completes its supervisory

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review and informs the Member of its determination. Members are obligated to pay billings that are not disputed and not under review.

**300.14.1 BILLING DISCREPANCIES OR ADJUSTMENTS**

If a Member is billed for charges erroneously per the Tariff or if the Cooperative fails to bill a Member for services, then the Cooperative will calculate, adjust, and apply all applicable charges in the manner described herein.

**300.14.1.1 UNDER-BILLING**

If the Member's account is under-billed, the Cooperative may back bill the Member for the amount that was under-billed no more than 6 months from the date the error discovered unless the under-billing is a result of theft of service by the Member.

An installment plan may be available for any periods of under-billing except for such periods resulting from meter tampering, bypass, diversion, or other similar circumstance.

**300.14.1.2 OVER-BILLING**

If the Member's account is over-billed, the Cooperative will adjust the Member's bill accordingly for the entire over-billed period.

**300.14.2 POWER FACTOR ADJUSTMENT**

The Cooperative may adjust Capacity Demand Charges or Peak Demand Charges if the power factor is lower than ninety seven percent (97%). Measured capacity (kW) may be increased by one percent (1%) for each one percent (1%) by which the power factor is less than ninety seven percent (97%) lagging for a period of fifteen (15) consecutive minutes.

**300.14.3 REFUNDS**

Upon closure of an account, the Cooperative will issue the Member a refund check for credit balances of five dollars (\$5.00) or more. The Cooperative only issues refunds on credit balances of less than five dollars (\$5.00) upon verbal request by the account holder. The Cooperative will transfer any amounts not refunded in accordance with the Unclaimed Property Policy of the Cooperative.

**300.14.4 MEMBER COMPLAINTS**

The Cooperative has established procedures to address all complaints from Members. A Member or Applicant may file a complaint in person, by letter, on the website, or by telephone with the Cooperative.

If an employee of the Cooperative cannot immediately resolve a complaint, the employee will forward the information collected to a supervisor or manager. The employee's supervisor or manager will review the complaint and related information, and he or she will advise the complainant of the results within five (5) Business Days of the complaint. The Cooperative will investigate the Member complaint and will report the results to the complainant. If dissatisfied, the complainant may file a written complaint with either the Cooperative's Chief Executive Officer or designee of the Chief Executive Officer. Under their direction, a three (3) Member management team will review the complaint. The Cooperative will advise the complainant of the results within ten (10) Business Days of the written complaint.

The Cooperative will not disconnect service before completion of the review. If the Member chooses not to participate in a review, the Cooperative may disconnect service provided it issues proper notice under the corresponding disconnect procedures.

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## **400 LINE EXTENSION POLICY**

### **400.1 OVERVIEW**

The Cooperative will extend electric service to an Applicant in accordance with the following line extension provisions. Each provision in this Tariff classifies the predominant type of electric service or use anticipated on the Applicant's premises and specifies conditions under which a line extension may be made. For each location where electric service is desired, the Applicant's classification for electric service will be determined by the Cooperative.

Electric service will not be provided and no work to extend electric service will be performed until the Applicant has met all requirements within this Tariff for extension of service including, without limitation, routing, underground service requirements, if applicable, and paid any and all fees or charges associated with the provision of electric service. This may include, but is not limited to, membership fees, establishment fees, deposits, system impact fees, CIAC, and/or planning design fees.

If facilities must be constructed, the Cooperative will provide an estimated completion date and a Cost Calculation or Development Cost Calculation for all charges to extend electric service. The requests for new electric service requiring construction should be completed within ninety (90) calendar days of fulfilling all applicable requirements, unless delayed by a cause beyond the reasonable control of the Cooperative, or unless a different time period is agreed to by the Applicant and the Cooperative.

The Applicant must comply with all requirements in Section 300.9.1, Conditions of Service. All applicable provisions of the Tariff, and standards and specifications of the Cooperative for construction, to receive electric service.

The Line Extension Policy provisions are subject to change by the Board of Directors.

### **400.2 RESIDENTIAL SERVICE**

#### **APPLICABILITY**

To qualify for an extension under this section, the Applicant and the location where the Applicant is requesting electric service must comply with the following provisions:

1. The location must be an Individual Private Dwelling, Multi-Family Dwelling, personal recreational vehicle, hunting cabin, barn, shop, water well, gate opener, Member-owned lighting system, or other residential installations.
2. If the Applicant is developing a residential subdivision or mixed-use development with Individual Private Dwelling(s) or Multi-Family Dwelling(s), the Applicant must comply with all requirements under Section 400.3, Residential Developments, and have paid the CIAC required under that section.

All other applicable provisions of this Policy apply to an extension of service under this section.

#### **CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Cost Calculation to the Point of Delivery based on its then current unit material and labor costs, and in accordance with the Cooperative's current standards and specifications.

The Applicant will be required to pay all costs per meter that qualifies under this section for the cost to extend electric service to the Point of Delivery as a CIAC prior to construction. The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service.

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The Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Cost Calculation will be at the sole expense of the Applicant.

**400.3 RESIDENTIAL DEVELOPMENTS**

**APPLICABILITY**

To qualify for an extension pursuant to this section, the Applicant and the residential development for which the Applicant is requesting electric service must comply with the following provisions:

1. The development is platted and recorded in the appropriate county with sites or lots for multiple prospective Applicants to be primarily used or developed for permanent Individual Private Dwelling(s) or Multi-Family Dwelling(s) or a preliminary plat plan approved by a municipality or county or other authority having jurisdiction for the purposes of sale, transfer, or residential development;
2. The development has been approved by all relevant governing agencies; and
3. The Applicant will provide at no cost to the Cooperative:
  - a. Easements granted on the Cooperative's standard form; for the Cooperative's construction, installation, maintenance, operation, replacement and/or repair of Cooperative Facilities in a form satisfactory to the Cooperative;
  - b. Site plans (streets, wet utilities, mechanical, electrical, plumbing, and landscaping plans, etc.) and notice of construction start dates and construction schedules that are reasonable and industry standard for the type of work to be performed;
  - c. Survey points for grades, lot corners, street right-of-way, and other locations reasonably necessary for installation of the electric system; and
  - d. An "Approved-for-Construction" Plan by a municipality or county or other authority having jurisdiction.
4. The Cooperative is not and will not be obligated to provide designs or Development Cost Calculations to an Applicant for a preliminary plan that has not been reviewed and approved by the applicable authority.

All other applicable provisions of this Policy apply to an extension of service under this section.

**CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Development Cost Calculation for the electric facilities adequate to serve all prospective Individual Private Dwelling(s) or Multi-Family Dwelling(s) in the residential development. The Cooperative will determine the Development Cost Calculation based on its then current unit material and labor costs and in accordance with the Cooperative's then current standards and specifications.

The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service. The Applicant will bear the cost of the facilities, identified in this section, required for the electric distribution system within the residential subdivision or development as determined in the Development Cost Calculation and will pay such costs in advance of construction.

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The Development Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Development Cost Calculation will be at the sole expense of the Applicant.

To the extent that an individual Applicant requests electric service within a residential subdivision, such Applicant must request electric service pursuant to the requirements of Section 400.2, Residential Service, and will be responsible for any CIAC and any system impact fees required by the provision of such electric service.

To the extent that any commercial facilities associated with a residential development are required, an Applicant must request electric service pursuant to the requirements of Section 400.4, Non-Residential Service, for those commercial facilities and will be responsible for any CIAC and any system impact fees required by the provision of such electric service.

The Cooperative will install all Cooperative Facilities required within the limits of the residential subdivision or development based on its necessary load requirements on its schedule but prior to the provision of electric service to any individual Applicants.

**400.4 NON-RESIDENTIAL SERVICE**

**APPLICABILITY**

To qualify as an extension under this section, the Applicant and the location where an Applicant is requesting electric service must comply with the following provisions:

1. The location must be a commercial or industrial installation not classified under Section 400.2, Residential Service, or 400.3, Residential Developments.
2. If the Applicant is developing a non-residential development or mixed-use development, the Applicant must comply with all requirements under Section 400.5, Non-Residential Developments, and have paid the CIAC required under that section.

All other applicable provisions of this Policy apply to an extension of service under this section.

**CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Cost Calculation to the Point of Delivery based on its then current unit material and labor costs and in accordance with the Cooperative's then current standards and specifications.

The Applicant will be required to pay all costs per meter that qualifies under this section for the cost to extend electric service to the Point of Delivery as a CIAC prior to construction. The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service.

The Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Cost Calculation will be at the sole expense of the Applicant.

The Cooperative will exercise prudent judgement in determining the conditions under which a specific line extension will be made for an Applicant with a load greater than one thousand (1,000) kW. This may include, but is not limited to, CIAC, contract minimums, service specifications, and/or other contract terms, arrangements, or conditions deemed reasonable by the Cooperative.

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**400.5 NON-RESIDENTIAL DEVELOPMENTS**

**APPLICABILITY**

To qualify for an extension pursuant to this section, the Applicant and the non-residential development for which the Applicant is requesting electric service must comply with the following provisions:

1. The development is platted and recorded in the appropriate county with sites or lots for multiple prospective Applicants to be primarily used or developed for permanent commercial, industrial, retail, and/or office use or a preliminary plat plan approved by a municipality or county or other authority having jurisdiction for the purposes of sale, transfer, or non-residential development;
2. The development has been approved by all relevant governing agencies; and
3. The Applicant will provide at no cost to the Cooperative:
  - a. Easements granted on the Cooperative's standard form; for the Cooperative's construction, installation, maintenance, operation, replacement and/or repair of Cooperative Facilities in a form satisfactory to the Cooperative;
  - b. Site plans (streets, wet utilities, mechanical, electrical, plumbing, and landscaping plans, etc.) and notice of construction start dates and construction schedules that are reasonable and industry standard for the type of work to be performed;
  - c. Survey points for grades, lot corners, street right-of-way, and other locations reasonably necessary for installation of the electric system; and
  - d. An "Approved-for-Construction Plan" from a municipality or county or other authority having jurisdiction.
4. The Cooperative is and will be not obligated to provide designs or Development Cost Calculations to an Applicant for a preliminary plan that has not been reviewed and approved by the applicable authority.

All other applicable provisions of this Policy apply to an extension of service under this section.

**CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Development Cost Calculation to serve all prospective units in the non-residential development. The Cooperative will determine the Development Cost Calculation based on its then current unit material and labor costs and in accordance with the Cooperative's then current standards and specifications.

The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service.

The Applicant will bear the cost of the electric facilities, identified in this section, required for the electric distribution system within the non-residential development as calculated in the Development Cost Calculation and will pay such costs in advance of construction.

The Development Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Development Cost Calculation will be at the sole expense of the Applicant.

To the extent that an individual Applicant requests electric service within a non-residential development, such Applicant must request electric service pursuant to the requirements of Section 400.4, Non-

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Residential Service, and will be responsible for any CIAC and any system impact fees required by the provision of such electric service.

The Cooperative will install all Cooperative Facilities required within the limits of the non-residential development based on its necessary load requirements on its schedule but prior to the provision of electric service to any individual Applicants.

**400.6 PRIMARY LEVEL SERVICE**

**APPLICABILITY**

To receive Primary Level Service, the following requirements must be met and agreed to:

1. The Applicant must execute an agreement, per Section 700.7, Primary Level Service Agreement, with the Cooperative;
2. The Applicant must procure, at the sole expense of the Applicant, all facilities and equipment, including but not limited to transformers, poles, and conductors required to take electric service at primary level voltage as required by Cooperative's design specifications;
3. The Applicant must assume all responsibility for furnishing, installing, constructing, owning, maintaining, and operating all Member-owned facilities beyond the Point of Delivery;
4. The costs for any upgrade, addition, or change in configuration to existing Member-owned or Cooperative Facilities will be at the sole expense of the Applicant;
5. All Member-owned facilities must be tagged and identified;
6. The Applicant must agree to submit an as-built facilities sheet to the Cooperative within thirty (30) days of completed construction;
7. The Applicant must agree to submit any new load and/or facilities additions to the Cooperative to assess existing facilities capacity and conduct any engineering studies required to serve the new load; and
8. All Member-owned installations will be in accordance with the National Electric Safety Code (NESC) and NEC standards.

The Cooperative reserves the right to deny Primary Level Service to a Member or Applicant if the Cooperative determines such service may have an adverse impact on the Cooperative's Delivery System or service provided to another Member.

**POINT OF DELIVERY**

The Point of Delivery will be at the primary meter on an overhead primary pole or an underground metering enclosure.

**400.7 UNDERGROUND SERVICE**

The following provisions for the extension of underground electric service are in addition to the standard provisions established in the prior sections.

**UNDERGROUND FACILITIES FOR SERVICES – RESIDENTIAL OR NON-RESIDENTIAL**

Underground electric primary and secondary lines to serve any Applicant may, by agreement with the Cooperative, be provided subject to the other requirements in this Policy.

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In addition, when receiving underground electric service, an Applicant will be responsible for providing and installing all trenches and backfill, sectionalized cabinets, concrete work associated with pad-mounted facilities, secondary services as determined by the Cooperative, all conduit, and any and all other facilities deemed necessary by the Cooperative.

In all cases, any underground secondary service lines from a meter to the Applicant's main disconnect switch or service center will be installed and maintained by the Applicant, and the Cooperative will have no responsibility or liability in connection therewith.

**UNDERGROUND FACILITIES FOR DEVELOPMENTS – RESIDENTIAL OR NON-RESIDENTIAL**

Where an Applicant requests the construction of underground electric facilities within a platted residential subdivision or non-residential development, the Applicant will bear the cost of the underground electric system adequate to serve all prospective units in the subdivision or development as determined by the Cooperative. The Applicant will be responsible for providing and installing all trenches and backfill, sectionalized cabinets, concrete work associated with pad-mounted facilities, all conduit, and any and all other facilities deemed necessary by the Cooperative, adequate to serve all prospective units in the subdivision or development and all other prospective members who may require electric service from said underground system.

**400.8 STANDARD DELIVERY SERVICE AND FACILITIES**

The Cooperative's standard delivery system facilities consist of the overhead or underground distribution facilities necessary to provide electric service through a single-phase or three-phase source to the Point of Delivery, at one of the Cooperative's available standard voltages.

The Cooperative standard delivery system permits 7.2/12.47 kV (12.5 kV) and 14.4/24.9 kV (25 kV), three-phase or single-phase, grounded-neutral Primary Level Service on its electric distribution system and secondary service is provided through transformers connected in a wye-wye configuration.

All Standard Delivery System Line Extension requests and associated costs will be in accordance with this Policy.

**400.9 NON-STANDARD DELIVERY SERVICE AND FACILITIES**

Non-standard delivery service and facilities include, but are not limited to, facilities necessary to provide service at a non-standard voltage, dual feed, automatic and manual transfer switches, service through more than one Point of Delivery, redundant facilities, non-standard metering and facilities in excess of those normally required for service under the Cooperative's standard delivery service and facilities. The Cooperative will determine what equipment is classified as non-standard and include this information on the Cost Calculation or the Development Cost Calculation.

Applicants requesting non-standard facilities will be responsible for all costs associated with the engineering, installation, maintenance, and material costs required to provide and maintain these non-standard facilities. An Applicant or Member may request non-standard equipment be removed. All costs for removal, and any other costs to make the system qualify for under standard delivery service, will be the sole responsibility of the Member or Applicant in advance.

All non-standard facilities will be operated by the Cooperative. Neither a Member nor an Applicant may perform service or maintenance to equipment located on the Cooperative's Delivery System.

The Cooperative reserves the right to convert or deny non-standard facilities installations if the Cooperative determines that such service may have an adverse impact on the Cooperative's Delivery System or service provided to another Member.

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**400.10 ROUTING**

In all cases, the line extension will be constructed within private easements granted on the Cooperative's standard form; at the sole discretion of the Cooperative, the Cooperative may construct line extensions within public utility easements, or public right-of-way or other agreements. The line extension will be constructed along a route that is reasonably accessible during all weather conditions as determined by the Cooperative. Cooperative Facilities will not be installed along the backs of lots or in areas deemed inaccessible or hazardous by the Cooperative.

The Applicant will be responsible for the clearing of any and all private easements or public utility easements required for the construction of the line extension on its property and removing of such obstructions as interfere with the efficiency of the electric system. All clearing will be performed to the Cooperative's specifications. The Cooperative may clear private easements or public utility easements or public right-of-way in certain instances. If the Cooperative or its agent clears private easements or public utility easements or a public right-of-way the cost will be included in the Cost Calculation or Development Cost Calculation.

**400.11 AREA LIGHTING**

In underground installations, the Applicant requesting area lighting under Section 500.3.6.1, Unmetered Lighting Device Service, will be responsible for providing and installing all lighting infrastructure, including but not limited to trench and associated backfill, lighting post, concrete work, secondary service conductors, and conduit.

In overhead installations, the Cooperative will provide secondary service conductor to serve overhead area lighting fixtures owned by the Cooperative under Section 500.3.6.1, Unmetered Lighting Device Service, without charge to the Applicant.

In either type of installation, for any additional Cooperative Facilities needed for area lighting, the Applicant will be required to pay any costs as a CIAC prior to construction.

**400.12 UNMETERED NON-RESIDENTIAL SERVICE**

The Cooperative at its sole discretion will determine if an Applicant may be served under this section.

In underground installations, the Applicant requesting facilities to provide electric service to unmetered non-residential installations, as determined by the Cooperative, will be responsible for providing and installing all trenches and backfill, sectionalized cabinets, concrete work associated with pad-mounted facilities, secondary services as determined by the Cooperative, all conduit, and any and all other facilities deemed necessary by the Cooperative.

In overhead installations, the Cooperative will provide secondary service conductor for the unmetered non-residential installation, and the Applicant will be responsible for providing and installing all other infrastructure.

In either type of installation, for any additional Cooperative Facilities needed for unmetered non-residential, the Applicant will be required to pay any costs as a CIAC prior to construction.

**400.13 NON-PERMANENT SERVICE**

In any circumstance where the need for electric service is not permanent, the Applicant will pay one hundred percent (100%) of the cost of installation and removal of all necessary electric service facilities and equipment before any construction begins.

**400.14 SERVICE UPGRADES TO EXISTING COOPERATIVE FACILITIES**

The cost for any upgrade, addition, or change in configuration of existing Cooperative Facilities will be at the sole expense of the Applicant. Service upgrades to existing Cooperative Facilities include, but

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are not limited to, any upgrades related to interconnecting a Member's Distributed Generation resource that operates in parallel to the Cooperative's Delivery System.

**400.15 SYSTEM IMPACT FEE**

A non-refundable charge will be collected for extending electric service to a new service location. This amount represents a contribution to the Cooperative's system cost associated with substation and electric distribution backbone facilities and is in addition to any amount due for the line extension. All fee amounts are per Section 500.4, Fee Schedule.

**400.16 PLANNING REDESIGN FEES**

An Applicant's Line Extension Cost Calculation or Development Cost Calculation includes delivery of one (1) design and project cost quotation to the Applicant. Thereafter, if the Applicant desires to make changes to the design, that requires a redesign, the Cooperative may charge the Applicant in advance for the redesign, including, but not limited to, labor and applicable overhead for design, engineering, staking, inspections, administrative, and other incurred related expenses. All fee amounts are per Section 500.4, Fee Schedule.

**400.17 AFTER-HOURS SERVICE**

If an Applicant requests after-hours service, the Applicant will pay the additional cost incurred by the Cooperative to provide after-hours service to the Applicant.

**400.18 MISCELLANEOUS TRIP FEE**

A non-refundable Miscellaneous Trip Fee may be collected for additional trips to the Applicant's property at the request of Applicant. All fee amounts are per Section 500.4, Fee Schedule.

**400.19 NO REFUND OF CONTRIBUTION IN AID OF CONSTRUCTION**

Payments necessary for construction of facilities, which will be used to deliver electric service to the Applicant, are CIAC and are not refundable after construction.

**400.20 DE-ENERGIZATION AND LINE CLEARANCES**

The Cooperative, in its sole discretion, may temporarily de-energize Cooperative Facilities or temporarily relocate or raise Cooperative Facilities at the request of an Applicant to assist in the transportation of oversized objects through the Cooperative's service territory or in the construction of pipelines or other objects within or otherwise affecting the Cooperative's right-of-way provided that the Applicant pays for all costs incurred by the Cooperative.

Costs incurred may include labor and materials, engineering design, right of way acquisition and clearing to the extent necessary, and vehicles or equipment used, including mileage, if applicable.

**400.21 OWNERSHIP OF COOPERATIVE FACILITIES**

The Cooperative will accept ownership of any facilities installed by the Applicant at the time the service location is successfully energized. The Cooperative will retain the ownership of all material and facilities installed by the Cooperative or Applicant for the distribution of electric service whether the same have been paid for by the Applicant except for those facilities installed by the Applicant past the Point of Delivery.

**400.22 REMOVAL AND/OR RELOCATION OF COOPERATIVE FACILITIES**

At the Cooperative's sole discretion, the Cooperative may remove existing Cooperative Facilities on Applicant's premises at the Applicant's request provided that the Applicant has paid in advance for the cost of the removal of the existing Cooperative Facilities.

The Cooperative will relocate its existing Cooperative Facilities on Applicant's premises at the Applicant's request provided the Applicant has:

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1. Provided an easement satisfactory to the Cooperative for the new facilities, and
2. Paid in advance for the cost of the removal of the existing Cooperative Facilities plus the cost for the construction of the new facilities.

Upon request by an Applicant, the Cooperative will replace an existing overhead electric line with an underground line provided that the Cooperative has:

1. Determined in its sole discretion that such replacement does not adversely impact electric service reliability or the Cooperative's operating efficiencies;
2. Received an easement(s), in a form satisfactory to the Cooperative, for the construction, installation, maintenance, operation, replacement and/or repair of the underground Cooperative Facilities, at no cost to the Cooperative; and
3. Received payment in advance for all costs of removal of the existing Cooperative Facilities and the full amount of the Cooperative's cost for the construction and installation of the new underground facilities.

If the Cooperative determines it is necessary to relocate existing Cooperative Facilities because a Member or any other Person fails or refuses to allow the Cooperative access to Cooperative Facilities at any time, then the Member or any other party responsible may be billed the cost of such relocation and associated expenses.

If the Cooperative determines that a safety or standard violation exists on a Member or any other Person's premises directly or indirectly caused by such Person, then the Cooperative, at the expense of such Person, will relocate Cooperative Facilities on such premises. The Member or appropriate Person will be financially responsible for the relocation or removal of Cooperative Facilities by the Cooperative and all other associated costs incurred to address the safety or standards violation.

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## **500 RATES**

### **500.1 MEMBER CHARGES, CREDITS AND ADJUSTMENTS**

#### **500.1.1 SERVICE AVAILABILITY CHARGE**

##### **APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

##### **PURPOSE**

This charge recovers the cost associated with providing services to the membership including billing, metering, collections, customer service, and other enterprise costs.

##### **RATE**

This charge, per meter, will be applicable according to the Member's rate schedule.

#### **500.1.2 EBILLING BILLING CREDIT**

##### **APPLICABILITY**

This credit will be applicable to Residential, Farm and Ranch Service Members that choose to receive a paperless bill.

##### **PURPOSE**

This credit reimburses a Member for the cost not incurred to the Cooperative involved in mailing a paper bill each month.

##### **RATE**

This credit is:

– \$ 1.00 per meter

#### **500.1.3 EDRAFT BILLING CREDIT**

##### **APPLICABILITY**

This credit will be applicable to Residential, Farm and Ranch Service Members that choose to pay as per Section 300.11.3.6, Bank Draft Payment Plan.

##### **PURPOSE**

This credit reimburses a Member for the cost not incurred to the Cooperative involved in processing a payment each month.

##### **RATE**

This credit is:

– \$ 1.50 per meter

#### **500.1.4 DELIVERY CHARGE**

##### **APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

##### **PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the distribution infrastructure and other related costs.

##### **RATE**

This charge, per kWh, will be applicable according to the Member's rate schedule.

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**500.1.5 CAPACITY DEMAND CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the distribution infrastructure and other related costs.

**RATE**

This charge, per maximum demand of power consumed, measured as the maximum demand during a fifteen (15) minute interval within the billing period, will be applicable according to the Member's rate schedule.

**500.1.6 PEAK DEMAND CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the distribution infrastructure and other related costs.

**RATE**

This charge, per kW, will be determined using the Peak Demand, measured on an hourly interval basis during the Time of Use Non-Summer Peak and in the Summer Peak and Summer Super Peak time periods, according to the Member's rate schedule.

**500.1.7 BASE POWER CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge will be used to recover the Cooperative's actual cost of power purchased for the membership and other costs incurred in connection with the development and management of the Cooperative's power supply. Members may have the option to choose from either Flat Base Power Charge or Time-of-Use (TOU) Base Power Charge as defined below.

**RATE**

This charge, per kWh, will be applicable according to the Base Power Rate option selected by the Member and the Member's rate schedule.

The charge is calculated using the following formula:

$$(A + B) / \text{kWhs}$$

A = Total estimated budgeted cost of power purchased for the membership and other costs incurred in connection with the development and management of the Cooperative's power for the period. (excluding power cost for Industrial Power Service, Transmission Level Service, and the Community Solar Base Power Charge)

B = Total actual adjustments needed to account for over or under recovery of actual cost of power purchased for the previous period.

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kWhs = Total estimated energy sales for the period (excluding kWhs for the Industrial Power Service, Transmission Level Service, and the Community Solar Base Power Charge)

The options are as follows.

**500.1.7.1 FLAT BASE POWER CHARGE**

**APPLICABILITY**

This charge option may be applicable to all rate schedules and programs except for Transmission Level Service, and Industrial Power Service. The Flat Base Power Charge will be used for billing on Member accounts that do not choose the TOU Base Power Charge.

**PURPOSE**

This option allows Members to have the same cost of power regardless of the season or time of day during which the energy is consumed.

**RATE**

The charge is:

\$ 0.058500 per kWh

**500.1.7.2 TIME-OF-USE BASE POWER CHARGE**

**APPLICABILITY**

This charge may be applicable to all rates schedules and programs except Unmetered Device Service, Interconnect Rate, Transmission Level Service, and Industrial Power Service.

**PURPOSE**

This charge option allows Member's cost of power to vary based on the time of day and season during which energy is consumed.

**CONDITIONS**

This charge option requires a twelve (12) month commitment. If a Member opts-out of the TOU Base Power Charge option prior to fulfilling the twelve (12) month commitment, the charge option will not be available to the Member for the following twelve (12) months.

**RATE**

The charges are:

Season	Time of Use Period		Charge per kWh
Non-Summer (Jan. – May and Oct. – Dec.)	Super Economy	2:01 am – 4:00 am	\$ 0.040910
	Economy	11:01 pm – 2:00 am 4:01 am – 5:00 am	\$ 0.050270
	Normal	8:01 am – 4:00 pm 7:01 pm – 11:00 pm	\$ 0.055120
	Peak	5:01 am – 8:00 am 4:01 pm – 7:00 pm	\$ 0.061710
Summer (Jun. – Sep.)	Super Economy	3:01 am – 5:00 am	\$ 0.039440
	Economy	11:01 pm – 3:00 am 5:01 am – 7:00 am	\$ 0.041440
	Normal	7:01 am – 12:00 pm 8:01pm – 11:00 pm	\$ 0.045910

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	Peak	12:01 pm – 2:00 pm 6:01 pm – 8:00 pm	\$ 0.059100
	Super Peak	2:01 pm – 6:00 pm	\$ 0.119310

**500.1.8 TRANSMISSION COST OF SERVICE (TCOS) PASS THROUGH CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost incurred to receive access to transmission service in the ERCOT region of Texas as established by the Commission.

**RATE**

This charge, per kWh or kW, will be applicable according to the Member's rate schedule. The options are as follows.

**500.1.8.1 TRANSMISSION COST OF SERVICE (TCOS) PASS THROUGH CHARGE, PER KWH**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**RATE**

The charge will be applicable based on energy, per kWh, according to the Member's rate schedule. The charge will recover the actual cost as established by the Commission.

The charge will be updated each June 1<sup>st</sup> and October 1<sup>st</sup> to align with forecasted costs.

**500.1.8.2 TRANSMISSION COST OF SERVICE (TCOS) PASS THROUGH CHARGE, PER KW**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**RATE**

This charge, per kW, will be determined by multiplying a member's demand measured during the Four Coincident Peak (4CP) intervals times the monthly charge. If the Member's demand is negative, the Member may receive a credit.

The charge will recover the actual cost as established by the Commission.

Until such time as the Member's 4CP demand is established, the TCOS Pass Through Charge will be as per Section 500.1.8.1, Transmission Cost of Service (TCOS) Pass Through Charge, per KWh.

**500.1.9 COMMUNITY SOLAR TRANSMISSION COST ADJUSTMENT (STCA)**

**APPLICABILITY**

This adjustment applies to all Members enrolled in the Community Solar Rate.

**PURPOSE**

This adjustment will be used to credit a Member's account with a portion of the savings from the avoided TCOS charges attributable to community solar generation.

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**RATE**

The adjustment, per kWh, will be determined as follows:

For all kWh sold to any Members enrolled in the Community Solar Rate, the solar transmission cost adjustment (STCA) will be calculated as follows:

$$\text{STCA} = - (80\% \times \text{TCOS Pass Through Charge})$$

**500.1.10 PRIMARY SERVICE ADJUSTMENT (PSA)**

**APPLICABILITY**

This adjustment may be applicable to all rate schedules corresponding to a Member receiving Primary Level Service. A Member receiving Primary Level Service must procure, install, and maintain all facilities and equipment beyond the Point of Delivery at their expense and in accordance with NESC and NEC standards.

**PURPOSE**

This adjustment will be used to credit a Member receiving electric power and energy at Primary Service Level.

**RATE**

This adjustment will be based on the total amount due for the applicable charges incurred for the month. Applicable charges, according to the Member's rate schedule, are the Delivery, Capacity Demand, Peak Demand, Base Power, and TCOS Pass Through Charges. The adjustment will not apply to any other charges, fees, credits, or adjustments. The adjustment will be determined as follows:

$$\text{PSA} = - (\text{Monthly sum of applicable charges}) \times 2\%$$

**500.1.11 RENEWABLE ENERGY RIDER CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge provides Member's the ability to purchase electricity generated by renewable energy sources.

**RATE**

The charge is:

$$\text{\$ } 0.000430 \text{ per kWh}$$

The pricing is based on the Texas Renewable Energy Credits Index and will be changed periodically to reflect current index pricing.

**500.1.12 SUSTAINABLE POWER CREDIT**

**APPLICABILITY**

This credit applies to all Members enrolled in the Interconnect Rate.

**PURPOSE**

This credit will be used to compensate a Member for Received Energy.

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**RATE**

The credit per kWh of Received Energy is:  
- \$0.060005

**500.1.13 WHOLESALE ENERGY CREDIT**

**APPLICABILITY**

This credit applies to all Members enrolled in the Interconnect Wholesale Energy Rate.

**PURPOSE**

This credit will be used to compensate a Member for Received Energy from an Interconnection fifty (50) kW AC or greater.

**RATE**

The credit, per kWh, will be determined as follows:

Wholesale Energy Credit = (Received Energy x Real Time Settlement Point Price at corresponding Load Zone)

**500.1.14 FRANCHISE FEE**

**APPLICABILITY**

This charge may be applicable to all Members served by the Cooperative inside a municipality's corporate boundary. All franchise fees not included in base rates will be separately assessed for Member service provided within the municipality where the franchise fee is authorized. The portion of the franchise fee not included in base rates will appear on the bill as a separate line item.

**RATE**

This charge will be calculated by multiplying the franchise fee percentage assessed by the municipality times the charges for energy and power sold and such other authorized charges to a Member (excluding any taxes and other authorized exclusions). Applicable sales tax may be assessed on franchise fee amounts.

**500.1.15 SALES TAX**

**APPLICABILITY**

This charge may be applicable to the Member in addition to the applicable Rates. Members claiming exemption from sales taxes should provide a sales tax-exemption form, acceptable to the Cooperative.

**500.1.16 COOPERATIVE OWNED LAMP CHARGE**

**APPLICABILITY**

This charge may be applicable to Cooperative owned outdoor lighting assets where the existing facilities, owned by either the Cooperative or the Member, are suitable for the installation of lighting. Cooperative owned outdoor lighting assets include lamps and lighting fixtures ("Cooperative Owned Area Lighting").

**MAINTENANCE OR REPAIRS OF COOPERATIVE OWNED AREA LIGHTING**

The Cooperative will own, install and maintain Cooperative Owned Area Lighting. Upon failure of any Cooperative Owned Area Lighting, such Lighting will be replaced by the Cooperative with LED lighting, and applicable charges may apply.

The Member will pay for costs of repairs including labor and materials for damage to Cooperative Owned Area Lighting resulting from an act of vandalism as determined by the Cooperative. The

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Member will be responsible for any costs of repairs including labor and materials for damage to existing facilities owned by the Member.

**MEMBER REQUESTS**

**Relocate** – The Member will pay for all costs, including labor and materials for the relocation of any Cooperative Owned Area Lighting and necessary facilities, subject to Section 400, Line Extension Policy.

**Change Out** – Any Member requesting to change out functional Cooperative Owned Area Lighting to LED lighting will pay the net book value of the existing Cooperative Owned Area Lighting including labor costs of change out as determined by the Cooperative. Following the change out, the Cooperative will adjust the Member's account(s) to reflect the appropriate rate.

**Removal** – Only applies to Cooperative Owned Area Lighting installed on Member-owned facilities. Any Member requesting the removal of Cooperative Owned Area Lighting must provide notice in writing to the Cooperative. The Member will be responsible for paying the net book value of the existing Cooperative Owned Area Lighting including labor costs of removal as determined by the Cooperative and any costs for disposal of the Cooperative Owned Area Lighting. Upon removal, the Member will be responsible for any costs associated with furnishing of new lamps or lighting fixtures including labor and installation and maintenance and repair. Following the removal, the Cooperative will adjust the Member's account(s) to reflect the appropriate rate.

**Purchase** – Only applies to Cooperative Owned Area Lighting installed on Member-owned facilities. Any Member requesting the purchase of Cooperative Owned Area Lighting must provide notice in writing to the Cooperative. The Member will be responsible for paying the net book value of the existing Cooperative Owned Area Lighting. Upon purchase, the Member will own the lamps or lighting fixtures, and be responsible for any maintenance and repair costs. Following the purchase, the Cooperative will adjust the Member's account(s) to reflect the appropriate rate.

**RATE**

The following charges will apply per lighting device:

Lamp Type:	Lighting Category:	Charge per Lamp:
LED 1	Lighting Type LA, 0 to 50 watts	\$9.22
LED 2	Lighting Type LB, 51 to 100 watts	\$19.22
HP 1*	Lighting Type LB, 51 to 100 watts	\$7.37
HP 2*	Lighting Type LE, 201 to 250 watts	\$14.39
MH*	Lighting Type LD, 151 to 200 watts	\$6.62
MV*	Lighting Type LD, 151 to 200 watts	\$6.62

LED – Light Emitting Diode; HPS – High Pressure Sodium; MH – Metal Halide;  
MV – Mercury Vapor

\* These lamps are no longer available for new installations.

**500.1.17 POWER OF CHANGE**

**APPLICABILITY**

This adjustment applies to all Members participating in PEC's voluntary on-bill round up and donation program. A participating Member may choose to discontinue at any time.

**PURPOSE**

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This adjustment is used to raise funds to support community support programs and associated giving subject to the conditions in the Community Support and Power of Change Policy.

**RATE**

The total monthly bill will be rounded up to the nearest dollar.

**500.1.18 CAPITAL CREDITS**

**APPLICABILITY**

This adjustment may apply to all Members who have allocated capital credits.

**PURPOSE**

This adjustment will serve as the Cooperative's method to distribute a Member's share of the Cooperative's Net Operating Margins based upon each Member's purchases of electric service or energy, or as such Net Operating Margins may otherwise be allocated within a Member Class to a Member.

**RATE**

As approved by the Board of Directors.

**500.1.19 MISCELLANEOUS PASS-THROUGH CHARGE**

**APPLICABILITY**

This charge may be applicable to a Member if the Cooperative incurs a cost directly as a result of actions taken by or on behalf of the Member or for the strict benefit of such Member and not collected in another fee or rate schedule.

**PURPOSE**

This charge recovers the cost associated with a Member responsible for directly incurring the costs.

**RATE**

Actual cost incurred monthly.

**500.1.20 TEMPORARY WINTER STORM SURCHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the Cooperative's actual cost of power purchased and other associated costs from Winter Storm Uri in February 2021.

**RATE**

The charge is:

\$ 0.007000 per kWh

**Section 500.1.20 above and all references will be removed effective September 30, 2023.**

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**500.1.21 DUAL FEED RIDER**

**APPLICABILITY**

This charge may be applicable to any member with non-standard facilities requesting dual feed service which requires the reservation of electrical capacity on an additional electrical distribution feeder.

**PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the electric distribution infrastructure and other related costs, excluding local facilities, for the reserved capacity on an additional electrical distribution feeder.

**CONDITIONS**

A member requesting dual feed service through an automatic transfer will be billed the Reserve Capacity Charge. Per Section 400.9, Non-Standard Delivery Service and Facilities, Members requesting non-standard facilities will be responsible for all costs associated with the engineering, installation, maintenance, and material costs required to provide and maintain the non-standard facilities.

**RATE**

This monthly charge will be billed per kilowatt (kW) and determined using the highest annual non-coincidental peak demand measured on an hourly interval basis. The demand will remain unchanged for a 12-month period and adjusted upon review annually.

The monthly charge is:

\$5.20 per kW

**500.2 RATE SCHEDULES**

**500.2.1 RESIDENTIAL, FARM AND RANCH SERVICE**

**500.2.1.1 RESIDENTIAL, FARM AND RANCH SERVICE**

**APPLICABILITY**

This schedule applies to Members receiving distribution service in locations built to serve as and are currently serving as an Individual Private Dwelling or Multi-Family Dwelling and their facilities, or facilities used for small-scale agricultural purposes such as water wells. If the location is being used for commercial purposes, PEC may change the member's rate to the appropriate non-residential service rate.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 22.50	meter	month
Delivery Charge	\$ 0.028405	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

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**500.2.2 NON-RESIDENTIAL SERVICE**

**500.2.2.1 SMALL POWER SERVICE**

**APPLICABILITY**

This schedule applies to distribution service locations built for commercial purposes with a rolling twelve (12) month average maximum demand below fifty (50) kW. The maximum demand will be captured during the hourly interval within the monthly billing cycle with the highest demand. If a Member's maximum monthly demand is fifty (50) kW or greater in any rolling twelve (12) month period, then the Cooperative may re-classify the Member as Large Power Service for a period of at least twelve (12) months or until the rolling twelve (12) month average demand is below fifty (50) kW.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 37.50	meter	month
Delivery Charge	\$ 0.021977	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.2.2.2 LARGE POWER SERVICE**

**APPLICABILITY**

This schedule applies to distribution service locations with a rolling twelve (12) month average demand of fifty (50) kW or greater, and who is not covered by another rate schedule. The maximum demand will be captured during the hourly interval within the monthly billing cycle with the highest demand. If a Member's maximum monthly demand is below fifty (50) kW in any rolling twelve (12) month period, then the Cooperative may re-classify the Member as Small Power Service for a period of at least twelve (12) months or until the rolling twelve (12) month average demand is fifty (50) kW or greater.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 150.00	meter	month
Peak Demand Charge	\$ 6.74	kW	Peak Demand
Base Power Charge	Per Section 500.1.7.2	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.2	kWh	4CP Demand
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

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**500.2.2.3 INDUSTRIAL POWER SERVICE**

**APPLICABILITY**

This schedule applies to Members whose service level is not classified as Secondary, Primary, or Transmission level and whose uses are not covered by another specific rate schedule.

This schedule is not available to new Members or Applicants effective March 1, 2021.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 1,000.00	meter	month
Capacity Demand Charge	\$ 0.490000	kW	Capacity Demand
Base Power Charge	See Below	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.2	kW	4CP Demand

**Base Power Charge:** The cost of power to serve the Member, including capacity, ancillary services, delivery, energy, and fuel charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods. These costs will be a direct pass through from the wholesale provider provided that the Member's billing units for power cost may be adjusted for line losses, as determined by the Cooperative, to calculate the Member's power cost at the wholesale supplier's metering point to the Cooperative.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.2.2.4 TRANSMISSION LEVEL SERVICE**

**APPLICABILITY**

This schedule applies to Members receiving power at transmission level voltage (sixty (60) KV or above).

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 1,000.00	meter	month
Base Power Charge	See Below	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.2	kW	4CP Demand

**Base Power Charge:** The cost of power to serve the Member, including capacity, ancillary services, delivery, energy, and fuel charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods. These costs will be a direct pass through from the wholesale provider provided that the Member's billing units for power cost may be adjusted for line losses, as determined by the Cooperative, to calculate the Member's power cost at the wholesale supplier's metering point to the Cooperative.

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The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.2.2.5 ELECTRIC VEHICLE PUBLIC CHARGE STATION RATE**

**APPLICABILITY**

The rate is applicable to a Member or non-Member receiving electric service through a public electric vehicle charging station connected to the Cooperative's Delivery System and owned and/or operated by the Cooperative.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Ten percent (10%)	n/a	total charges
Delivery Charge	Per Section 500.2.1.1	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.2	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

Service Availability Charge: The charge will be ten percent (10%) of the total cost per kWh calculated on the sum of the Delivery, TCOS, and Base Power Charges as described in this section.

The total cost per kWh will be the sum of the above charges. Charges may be subject to rounding as required by the billing software provider.

**500.3 RATE PROGRAMS**

**500.3.1 INTERCONNECT RATE**

**APPLICABILITY**

This program applies to Residential and Small Power Service Members with a Distributed Generation system that is less than fifty (50) kW AC of capacity. The Member must have an approved Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6.

**RATE**

Service will be measured through a single meter, with two (2) registers measuring Delivered Energy and Received Energy. Delivered Energy will determine the charges for energy consumption. Received Energy will determine the credit for surplus energy generated by the member.

**MONTHLY RATE**

The following charges may apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Per applicable rate schedule	meter	month
Delivery Charge	Per applicable rate schedule	kWh	Delivered Energy
Base Power Charge	Flat Base Power, per Section 500.1.7.1	kWh	Delivered Energy
Sustainable Power Credit	Per Section 500.1.12	kWh	Received Energy
TCOS Pass Through Charge	Per applicable rate schedule	kWh	Delivered Energy

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Temporary Winter Storm Surcharge	Per applicable rate schedule	kWh	Delivered Energy
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The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.2 INTERCONNECT WHOLESALE ENERGY RATE**

**APPLICABILITY**

This program applies to Large Power Members with a DG system or any member with DG system that is fifty (50) kW AC or greater of capacity. The Member must have an approved Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Per Section 500.2.2.2	meter	month
Peak Demand Charge	Per Section 500.2.2.2	kW	Peak Demand
Base Power Charge	Per Section 500.2.2.2	kWh	Delivered Energy
Wholesale Energy Credit	Per Section 500.1.13	kWh	Received Energy
TCOS Pass Through Charge	Per Section 500.2.2.2	kW	4CP Demand
Temporary Winter Storm Surcharge	Per Section 500.2.2.2	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.3 COMMUNITY SOLAR RATE**

**APPLICABILITY**

This program applies to all rate classes except Industrial Power Service, Transmission Service, Large Power Service, and Unmetered Device Service rates. Additionally, this Rate is not applicable to accounts enrolled in Time-of-Use Base Power Charge, Interconnect, or Interconnect Wholesale Energy Rates.

**CONDITIONS**

1. The Community Solar Rate is available to any eligible Member provided that Member completes an enrollment application for the Community Solar Rate.
2. The allocation of available Community Solar Energy Units (as defined below) will be assigned to applicants on a first-come, first-served basis as determined by the date and time of application submission.
3. Each Member's assigned Community Solar Energy Units will be no greater than the Member's average monthly energy usage during the previous twelve (12) month period, divided by one hundred (100), and rounded up to the next whole number. If Member does not have a twelve (12) month energy usage history, then an estimated monthly average energy usage will be determined based on the information provided in the Member's application.
4. Member acknowledges that the Solar Energy (as defined below) is not a fixed amount and may vary monthly depending on total Community Solar generation. Member acknowledges Community Solar generation is intermittent in nature and the amount of energy produced varies from moment to moment depending on many factors including the time of the year, the time of

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the day, and the weather. As a result, the Cooperative cannot guarantee the actual amount of Solar Energy.

5. Member agrees to a recurring twenty-four (24) month enrollment commitment with an automatic renewal every twenty-four (24) months until Member submits a request to terminate enrollment no later than thirty (30) calendar days prior to the end of the commitment period. Any modifications to enrollment status will be effective at the beginning of the Member's next billing cycle.
6. Cooperative will monitor and administer the Community Solar Rate and from time to time will inspect the effectiveness of the Community Solar Rate.
7. Cooperative may elect to reduce a Member's assigned Community Solar Energy Units, with notice to Member, if Member's Solar Energy is over one-hundred and ten percent (110%) of the Member's monthly average energy usage during a rolling twelve (12) month period.

**BILLING DETERMINANTS**

**Community Solar Energy Units** – A Community Solar Energy Unit represents a portion of the Community Solar generation, assigned to the Member.

**Unit Energy Allocation** – The Unit Energy Allocation (kWh) is the energy for each Community Solar Energy Unit assigned to the Member on a monthly basis. The Unit Energy Allocation will be based on the monthly total Community Solar generation divided by the number of Community Solar Energy Units assigned to Members enrolled on the Community Solar Rate. The Unit Energy Allocation will be equivalent to no more than one hundred (100) kWh.

**Solar Received** – The monthly energy that corresponds to each Member from Community Solar generation. The Solar Energy will be determined by multiplying the Member's Community Solar Energy Units by the monthly Unit Energy Allocation.

**Net Energy** – The Net Energy (kWh) will be calculated by subtracting the Solar Energy from the Delivered Energy on a monthly basis. If Solar Energy is greater than Delivered Energy, then the Solar Energy will be adjusted to equal the Delivered Energy, and Net Energy will be zero (0). The Net Energy will never be negative regardless of the Member's Community Solar Energy Units.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Per applicable rate schedule	meter	month
Delivery Charge	Per applicable rate schedule	kWh	Delivered Energy
Peak Demand Charge	Per applicable rate schedule	kW	Peak Demand
Base Power Charge	Flat Base Power, per Section 500.1.7	kWh	Net Energy
Community Solar Base Power Charge	\$ 0.061080	kWh	Solar Received
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Solar Transmission Cost Adjustment	Per Section 500.1.9	kWh	Solar Received
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

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**TCOS Pass Through Charge** –The TCOS charge will apply to Delivered Energy for Members as per the applicable tariff in Section 500.1.8.1. Transmission Cost of Service (TCOS) Pass Through Charge.

**Solar Transmission Cost Adjustment** – The STCA credit will apply to Solar Energy received by Members as per the applicable tariff in Section 500.1.9, Community Solar Transmission Cost Adjustment.

**Community Solar Base Power Charge** – The Community Solar Base Power Charge will recover the actual cost of power purchased for Community Solar generation and other costs incurred in connection with solar generation. The Community Solar Base Power Charge will apply to Solar Energy. The Cooperative Solar Base Power Charge is \$0.061080 per kWh.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.4 MILITARY BASE DISCOUNT**

**APPLICABILITY**

The discount will be applicable in conjunction with the Member's rate schedule to any military base that the Cooperative serves, as required by the Texas Utilities Code. Sec. 36.354. The provisions of the applicable rate schedule are modified only as shown herein.

**MONTHLY RATE**

The amount due to the Cooperative will be reduced by twenty percent (20%), except for the Base Power and TCOS charges applicable to the Member, and excluding any adjustment factors, cost recovery factors, specific facilities charges, and service fees, as per the Member's rate schedule.

**500.3.5 ECONOMIC DEVELOPMENT DISCOUNT**

**PURPOSE**

To encourage economic development, provide economic stimulus, and increase the competitiveness of communities in their economic development pursuits within the Lower Colorado River Authority (LCRA) service territory, the Cooperative will pass through an Economic Development Discount (EDD) available through the LCRA to qualifying Members.

**APPLICABILITY**

Subject to the conditions listed and confirmation of availability from LCRA, this discount applies to Large Power Service, Transmission Level Service, and Industrial Power Service Members with minimum LCRA supplied energy usage of two million two hundred thousand (2,200,000) kWh to a single site in the LCRA service territory.

**CONDITIONS**

To be eligible to receive an EDD, a Large Power Service, Transmission Level Service, or Industrial Level Service Member must meet the following requirements:

1. Member must have added a new location for electric service within LCRA's service territory or expanded an existing location for electric service with addition of a new metering point within the LCRA's service territory;
2. Service location must have appropriate metering equipment to record actual energy consumption;
3. Member must have received economic development assistance, including but not limited to, tax incentives or grants, from cities, counties or other regional entities (Member must provide executed agreements that address various economic impact metrics such as job creation and investment requirements); and

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4. Member must enter into a five (5) year agreement with the Cooperative in a form approved by the Cooperative, which may include, among other provisions, terms regarding minimum load requirements, purchase power requirements, metering data submission, economic impact reporting, and repayment provisions for failure to meet conditions of discount.

**RATE**

After the first year of Member's minimum annual usage of two million two hundred thousand (2,200,000) kWh served by the Cooperative through energy purchases from the LCRA at a single site within the LCRA service territory, and each year thereafter for no more than three (3) years, the discount will apply to reduce the Cooperative's total costs for providing service to the new service location in the amounts and terms described in an agreement entered into between the Cooperative and the Member. The amount of the EDD for the Member will be equivalent to the reduction that the Cooperative receives from LCRA minus any associated cost of implementation.

**AVAILABILITY**

The discount will be available to applicable Members for no more than three (3) years.

**500.3.6 UNMETERED DEVICE SERVICE**

**APPLICABILITY**

This schedule applies to Members requesting Unmetered Service to lighting and non-lighting related devices owned, operated, and maintained by the Member or the Cooperative. Devices may not have a maximum power requirement of more than five hundred (500) watts.

**CONDITIONS**

To qualify for this service, the Member must comply with the following provisions:

1. Member must provide the technical specifications and location of device(s) installed;
2. Member must provide notice of any new device(s) installed or changes to approved devices by the Member within 48 hours of installation;
3. A maximum of one-hundred and fifty (150) individual devices can be aggregated to a single account; and
4. All approved devices must be located within the same municipality for the assessment of any municipal franchise fee, if applicable.

**UNAUTHORIZED DEVICES**

Failure by Member to notify the Cooperative of any new devices may result in the Cooperative's refusal to continue service.

If the Cooperative discovers any new and unauthorized devices installed by the Member, the Cooperative may make a billing adjustment to account for six (6) months of energy consumption for each unauthorized device.

If the Cooperative discovers any changes to authorized devices, such as a change in the device's category, already installed by the Member, the Cooperative will make a billing adjustment to account for the difference in energy consumption between the billed device and the unauthorized device for six (6) months of energy consumption for each unauthorized device.

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**500.3.6.1 UNMETERED LIGHTING DEVICE SERVICE**

**BILLING DETERMINANTS**

The Cooperative will place each lighting device in the categories below. Monthly consumption is based on a fifty (50) percent load factor.

Lighting Device Category and Monthly Energy Consumption		
Device Type LA	1 – 50 watts	18 kWh
Device Type LB	51 – 100 watts	37 kWh
Device Type LC	101 – 150 watts	55 kWh
Device Type LD	151 – 200 watts	73 kWh
Device Type LE	201 – 250 watts	91 kWh

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 37.50	account	month
Delivery Charge	\$ 0.021977	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

Service Availability Charge: This charge is applicable if devices are not already included on a bill with a metered account. Otherwise, the account will be billed per this rate schedule.

The charge per lamp above is the monthly energy (kWh) multiplied by the calculated sum of the Delivery Charge and the Base Power Charge as described in this section.

Members with Cooperative-owned devices will be billed a lamp charge per Section 500.1.16, Cooperative Owned Lamp Charge.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.6.2 UNMETERED NON-LIGHTING DEVICE SERVICE**

**BILLING DETERMINANTS**

The Cooperative will place each non-lighting device in the categories below. Monthly consumption is based on a one hundred (100) percent load factor.

Non-Lighting Device Category and Monthly Energy Consumption		
Device Type A	1 – 100 watts	73 kWh
Device Type B	101 – 200 watts	146 kWh
Device Type C	201 – 300 watts	219 kWh
Device Type D	301 – 400 watts	292 kWh
Device Type E	401 – 500 watts	365 kWh

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**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 37.50	account	month
Delivery Charge	\$ 0.010988	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

Service Availability Charge: This charge is applicable if devices are not included on a bill with a metered account. Otherwise, the account will be billed per the applicable rate schedule.

The charge per device above is the monthly kWh multiplied by the calculated sum of the Delivery Charge, TCOS Charge, and the Base Power Charge as described in this section.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

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**500.4 FEE SCHEDULE**

<b>FEE</b>	<b>AMOUNT</b>	<b>SECTION</b>
Open Records Fee – Staff research time	\$ 40.00 per hour	300.4
Open Records Fee – Copies	\$ 0.25 cents per page for any pages in excess of 10 pages	300.4
Open Records Fee – Other materials and services not included in research time and copies.	Actual cost	300.4
Subpoena Response Service Fee	\$ 40.00 / hour	300.4.1
Easement Release Fee	\$ 100.00	300.4.2
Membership Fee	\$ 50.00	300.8.1
Establishment/Transfer Fee	\$ 50.00	300.8.2
Same Day Service Fee	\$ 125.00 – (8 AM to 5 PM on Business Days) \$ 175.00 – All other times	300.9.3
Late Payment Processing Fee	10 percent of unpaid amount	300.11.4
Non-Payment Disconnect/Reconnect Fee	\$ 75.00	300.11.9
Loan Late Fee	The greater of \$ 7.50 or 7 percent	300.11.5
Return Check/Denied Bank Draft Fee	\$ 30.00	300.11.6
Meter Test Fee	\$ 100.00	300.13.4
Advanced Metering Opt Out Program – Meter Exchange Fee	\$ 150.00	300.13.6
Advanced Meter Opt Out Program – Non-Payment Disconnect/Reconnect Fee	\$ 200.00	300.13.6
Advanced Metering Opt Out Program – Meter Reading Fee	\$ 30.00, additional \$ 3.50 / mile charge for service locations further than thirty (30) miles from nearest area office	300.13.6
Meter Tampering Fee	\$ 500.00	300.13.7
System Impact Fee	\$ 200.00	400.15
Planning Redesign Fee	\$ 500.00 or actual cost, whichever greater	400.16

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FEE	AMOUNT	SECTION
After Hours Service Fee	At cost	400.17
Miscellaneous Trip Fee	\$ 100.00	400.18
Franchise Fee	Varies depending on the municipality	500.1.14
Distributed Generation Interconnection Transfer Fee	\$ 150.00	600.4
<b>Distributed Generation Interconnection, 50 kW and under</b>		
Application and Engineering Study Fee	\$ 250.00	600.4
Interconnect Agreement and Inspection Fee	\$ 250.00	600.4
<b>Distributed Generation Interconnection, greater than 50 kW</b>		
Application Fee	\$ 150.00	600.4
Interconnect Agreement and Inspection Fee	\$ 250.00	600.4
Engineering Study Fee	At cost	600.5

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**600 INTERCONNECTION POLICY**

**600.1 GENERAL**

This Policy applies to the installation and parallel operation of Member owned Distributed Generation (DG).

While not regulated by the Commission on this subject, the Cooperative adopts as its requirements for safety, reliability, and operational rule the Commission's Substantive Rule 25.212 "Technical Requirements for Interconnection and Parallel Operation of On-Site Distributed Generation" as may be amended from time to time as the Cooperative's interconnection, operational, safety, and reliability rules, except for any portions of the substantive rule which refer to the Commission's form of an Interconnection Agreement or Tariff as may be amended from time to time. Should any provision of the adopted substantive rule and this Policy conflict, this Policy will control.

**600.2 LIMITATIONS WITH REGARD TO METERS AND FACILITIES**

A Member may serve all load behind the meter at the location of the interconnecting DG facility but will not be allowed to serve multiple meters, multiple consuming facilities or multiple Members with a single DG facility or under a single DG application.

**600.3 COMPLIANCE WITH ALL LAWS, REGULATIONS, AND STANDARDS**

A Member requesting to interconnect a DG facility to the Cooperative's Delivery System is responsible for and must follow, in addition to all provisions of this Policy, the Cooperative's Tariff and Business Rules, the policies and procedures of the Cooperative's power supplier where applicable, the policies and procedures of the interconnecting transmission provider where applicable, the rules and regulations of ERCOT and the Commission where applicable, the current IEEE 1547 Standard Guide for Distributed Generation Interconnection, other applicable IEEE standards, applicable ANSI standards, including ANSI C84.1 Range A and any other applicable governmental and regulatory laws, rules, ordinances or requirements. All legal, technical, financial, or other requirements in the following sections of this Policy must be met prior to interconnection of the DG facility to the Cooperative's system.

**600.4 MEMBER REQUIREMENTS**

**APPLY FOR DG SERVICE**

To begin the process of interconnecting a DG facility to the Cooperative's Delivery System, a Member must complete and submit an Application for Interconnection and Parallel Operation of Distributed Generation (DG), Section 700.5.

**APPLICATION AND ENGINEERING STUDY FEES**

At the time of application for DG service, the Member will pay a refundable application and engineering study fee. The application and engineering study fee will recover the cost for the Cooperative to complete all work required to facilitate the Member's DG service prior to execution of an interconnect agreement, including an engineering study for DG interconnections under 50 kW AC. This fee may be refunded in the case that an Applicant's costs to interconnect a DG system would require Cooperative Delivery System upgrades as per the Line Extension Policy, Section 400. For DG interconnections greater than 50 kW AC, the cost of the engineering study is not included in the application fee, therefore the Applicant will be billed separately at cost. All fee amounts are per Section 500.4, Fee Schedule.

**EXECUTE AN INTERCONNECT AGREEMENT**

To interconnect a DG facility to the Cooperative's Delivery System, a Member must complete, submit, and have approved by the Cooperative an Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6.

**PAY INTERCONNECT AGREEMENT AND INSPECTION FEES**

The Member will pay a non-refundable interconnect agreement and inspection fee if executing an Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6. The interconnect agreement and inspection fee covers the cost for the Cooperative to complete all work required to facilitate the Member's DG service with the exception of any work required in the application

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process covered by the application fees or by Section 400.14, Service Upgrades to Existing Cooperative Facilities. All fee amounts are per Section 500.4, Fee Schedule.

**DISTRIBUTED GENERATION INTERCONNECTION TRANSFER FEE**

A member moving into an existing interconnect location with intent to generate will be required to establish a new Interconnect Agreement with the Cooperative and pay the DG Interconnection Transfer Fee. All fee amounts are per Section 500.4, Fee Schedule.

**600.5 COOPERATIVE REVIEW OF PROPOSED DG FACILITY**

**ENGINEERING STUDIES AND STUDY FEES**

The Cooperative will conduct an engineering study, service study, coordination study and/or utility system impact study prior to interconnection of a DG facility. The scope of any such studies will be based on the characteristics of the particular DG facility to be interconnected and the Cooperative's Delivery System at the proposed location. Studies may be conducted by a qualified third party. For DG facilities greater than 50 kW AC, an estimate of the engineering study cost and an estimate of the time required to complete the study will be provided to the Member in advance as part of the application fees. If the cost of the study is in excess of the estimate the member will be required to pay actual cost in full.

**LIABILITY**

The Cooperative intends the review process and any inspections as a means to safeguard the Cooperative's facilities and personnel. The Member acknowledges and agrees that any review or acceptance of such plans, specifications and other information by the Cooperative will not impose any liability on the Cooperative and does not guarantee the adequacy of the Member's equipment or DG facility to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost-effectiveness, safety, durability, or reliability of such DG installations.

**SYSTEM UPGRADES AND MODIFICATIONS TO COOPERATIVE FACILITY**

If interconnection of a particular DG facility will require material capital upgrades to the Cooperative's Delivery System as determined by the engineering study, the Cooperative will provide the Member with an estimate of the schedule and Member's cost for the upgrade. If the Member desires to proceed with the upgrade, the Member will be responsible for all costs associated with the upgrade in accordance with Section 400.14, Service Upgrades to Existing Cooperative Facilities.

**GENERAL SAFETY AND RELIABILITY**

The Cooperative reserves the right to require additional safety, reliability and/or operational equipment and/or measures beyond that required by the referenced Substantive Rule where its engineering study determines that such equipment and/or operational measures are required. In such cases, the Member will be responsible for the cost of such equipment and/or operational measures.

**DG FACILITY ACCESS**

The Cooperative has the right to access the area where the disconnect switch for the DG facility is installed for purposes of testing and/or operating the disconnect switch. Such entry onto the Member's property may be without notice.

If the Member erects or maintains locked gates or other barriers, the Member will furnish the Cooperative with convenient means to circumvent the barrier for full access.

**METERING**

The Member location will be metered in accordance with Section 300.13, Measurement and Metering of Service. Depending on the size and registration status of the DG facility with ERCOT additional meter requirements may be necessary.

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**Section 700: Appendix – Membership Application and Certificate**

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**700 APPENDICES**

**700.1 MEMBERSHIP APPLICATION AND CERTIFICATE**



**MEMBERSHIP APPLICATION AND CERTIFICATE**

I apply for membership in Pedernales Electric Cooperative, Inc. I agree to be connected to and receive service from the Cooperative's electric distribution system. I agree to pay for Cooperative services and abide by the Cooperative's Bylaws, Tariff, policies, and procedures. I authorize agents of the Cooperative to enter and will allow easy access to my property to repair and maintain lines or equipment or for any other purpose necessary to provide services and conduct business.

Date:  Account number:

Name and address of applicant:

Phone:  Alternate phone:

Location description:

I understand that Pedernales Electric Cooperative requires one (1) refundable membership fee per member. The membership fee will be applied as a credit to the bill when all accounts are closed.

**This certifies the applicant is a member of Pedernales Electric Cooperative, Inc.**

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Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Residential Letter of Guarantee**

Applicable: Entire Certified Service Area

Effective Date: October 1, 2023

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**700.2 RESIDENTIAL LETTER OF GUARANTEE**

PEC COPY – RETURN TO:  
P.O. BOX 1, Johnson City, TX 78636



**RESIDENTIAL LETTER OF GUARANTEE**

(Waiver of Deposit agreement)

In order that Pedernales Electric Cooperative, Inc. ("PEC"), waive a cash deposit for securing payment of electric bill for:

Applicant Name: \_\_\_\_\_

I, (Guarantor Name): \_\_\_\_\_

**Agree to pay an amount not to exceed one hundred and fifty dollars (\$150.00).**

**I UNDERSTAND BY SIGNING THIS AGREEMENT THAT:**

1. A credit risk assessment on the Guarantor may be conducted by PEC or on its behalf.
2. The amount of liability for Guarantor toward payment of Member's unpaid final bill will not exceed one hundred and fifty dollars (\$150.00).
3. This Agreement transfers with the Member/Guarantor, should either party change his or her service address and continue to receive electric service from PEC.
4. This guaranty will terminate automatically when the Member has paid his or her bills for twelve (12) consecutive months without service being disconnected for nonpayment, without having more than one (1) late payment, and without having more than one (1) returned item.
5. **If Member fails to pay the final bill within sixteen (16) days after the final due date, the Guarantor's electric account may be charged an amount not to exceed one hundred and fifty dollars (\$150.00). If this amount is not paid or arrangements not made for payment, Guarantor's own electric service may be disconnected.**

Member name: \_\_\_\_\_

Member signature: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

Account number: \_\_\_\_\_

Amount: \_\_\_\_\_

Guarantor: \_\_\_\_\_

Guarantor signature: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

Account number: \_\_\_\_\_

Appearing the Guarantor, \_\_\_\_\_, subscribed and sworn

before me this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

(NOTARY SEAL)

Notary public signature:

Pedernales Electric Cooperative, Inc.  
Residential Letter of Guarantee - PEC copy  
Pedernales Electric Cooperative, Inc.

\_\_\_\_\_  
\_\_\_\_\_

Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.

Section 700: Appendix – Residential Letter of Guarantee

Applicable: Entire Certified Service Area

Effective Date: October 1, 2023

GUARANTOR COPY



RESIDENTIAL LETTER OF GUARANTEE

(Waiver of Deposit agreement)

In order that Pedernales Electric Cooperative, Inc. ("PEC"), waive a cash deposit for securing payment of electric bill for:

Applicant Name:

I, (Guarantor Name):

Agree to pay an amount not to exceed one hundred and fifty dollars (\$150.00).

I UNDERSTAND BY SIGNING THIS AGREEMENT THAT:

1. A credit risk assessment on the Guarantor may be conducted by PEC or on its behalf.
2. The amount of liability for Guarantor toward payment of Member's unpaid final bill will not exceed one hundred and fifty dollars (\$150.00).
3. This Agreement transfers with the Member/Guarantor, should either party change his or her service address and continue to receive electric service from PEC.
4. This guaranty will terminate automatically when the Member has paid his or her bills for twelve (12) consecutive months without service being disconnected for nonpayment, without having more than one (1) late payment, and without having more than one (1) returned item.
5. If Member fails to pay the final bill within sixteen (16) days after the final due date, the Guarantor's electric account may be charged an amount not to exceed one hundred and fifty dollars (\$150.00). If this amount is not paid or arrangements not made for payment, Guarantor's own electric service may be disconnected.

Member name:

Guarantor:

Member signature:

Guarantor signature:

Address:

Address:

City, State, Zip:

City, State, Zip:

Phone:

Phone:

Date:

Date:

Account number:

Account number:

Amount:

Appearing the Guarantor, \_\_\_\_\_, subscribed and sworn

before me this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_ .

(NOTARY SEAL)

Notary public signature:

Pedernales Electric Cooperative, Inc.  
Residential Letter of Guarantee - Guarantor copy

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Prepaid Payment Option Member Agreement**

Applicable: Entire Certified Service Area

Effective Date: October 1, 2023

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**700.3 PREPAID PAYMENT OPTION MEMBER AGREEMENT**



**PRE-PAID PAYMENT OPTION MEMBER AGREEMENT**

Pedernales Electric Cooperative, Inc. ("PEC") is pleased to offer the Pre-paid Payment Option to eligible members. This payment option allows you to manage your electric usage and payments towards your electric bill. With this payment option, each day, PEC will bill you for your previous day's usage and deduct the bill amount from the credit on your account. Daily balances are available for review at [pec.coop/PayNow](http://pec.coop/PayNow), SmartHub, or by phone. PEC will send you notices by phone, text, or email reflecting your balance. If you have an existing deposit on your account, PEC will retain \$50 of that deposit and apply the remaining amount to your pre-paid balance.

**ELIGIBLE MEMBERS MUST:**

- Have a twenty five dollar (\$25) pre-paid credit balance to set up the account
- Keep a credit balance on the account at all times

**OTHER PROGRAM INFORMATION:**

- Pre-paid accounts are not eligible for the following services and rates:
  - Deferred Payment Arrangement, Budget Billing, Automatic Payment Plan
  - Time of Use, Interconnections, or Cooperative Solar rates
  - Medical Necessity Registry, Advanced Meter Opt Out Program, or with three-phase service
- No deposit based on credit worthiness is required for Pre-paid Payment Option accounts
- Make payments via the SmartHub app, online, by phone, at kiosks, by mail, or in person
- Existing balances must be cleared or a payment arrangement must be scheduled prior to enrollment:
  - Fifty percent (50%) of every payment will be applied to the outstanding balance.
  - The remaining fifty percent (50%) will be applied to the pre-paid account balance until the outstanding balance is paid in full
- Members are responsible for setting up personalized notifications via SmartHub
- If service is disconnected for lack of pre-paid funds, the unpaid balance will be due along with a twenty five dollar (\$25) credit balance to reinstate electric service

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Prepaid Payment Option Member Agreement**

Applicable: Entire Certified Service Area

Effective Date: October 1, 2023

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**PRE-PAID PAYMENT OPTION MEMBER AGREEMENT - CONTINUED**

**MEMBER:**

1. I request that my account be added to the Pre-paid Payment Option. I agree to abide by the Tariff and Business Rules (Section 300.11.3.1) governing the Pre-paid Payment Option.
2. I consent to electronic notifications by electronic mail, text, or by phone regarding the Pre-paid Payment Option, including notifications regarding balances. PEC will send notice either by email or text when the balance is at ten dollars (\$10) or less. You may elect to receive additional alerts by through your SmartHub account. I understand that it is my responsibility to immediately notify PEC of any changes to my contact information.
3. The continuation of electric service depends on your prepaying for service on a timely basis and once the fund balance on the electric account is depleted to zero dollars (\$0), a notification will be sent, and service is subject to disconnection. The daily base rate will continue to accumulate even if no energy consumption occurs.
4. Member assumes all liability for and holds harmless PEC, its directors, officers, employees, and agents for any and all damages of every kind resulting from my participation in the Pre-paid Payment Option including, without limitation, automatic disconnection or reconnection of service.
5. I understand that at any time, I may elect to discontinue the Pre-paid Payment Option and resume standard billing. At that time, PEC will require full payment of any outstanding balance and may require a deposit.
6. Member acknowledges and agrees to the terms and conditions described herein.

Member name:

Date:

Account:

Phone:

Email:

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Medical Necessity Program Application**

Applicable: Entire Certified Service Area

Effective Date: October 1, 2023

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**700.4 MEDICAL NECESSITY PROGRAM APPLICATION**



**MEDICAL NECESSITY PROGRAM APPLICATION**

**IMPORTANT INFORMATION:**

- This application must be completed to obtain Chronic or Critical Care designation with Pedernales Electric Cooperative, Inc. ("PEC").
- This application will not be processed if incomplete, unreadable, or improperly submitted. All information is required, unless otherwise indicated.
- Submission of this application does not automatically result in Chronic or Critical Care designation.
- Members will be notified upon approval and when the designation is due for renewal.
- Pursuant to the Tariff and Business Rules of PEC, designation as a Chronic or Critical Care residential member does not relieve a member of the obligation to pay for electric service, and service may be disconnected for failure to pay.
- Chronic or Critical Care designation does not guarantee continuous electric power. If electricity is a necessity to sustain life, you must make other arrangements for on-site back-up capabilities or other alternatives in the event of power loss.
- It is important that we have the most current phone number and mailing address on record. Members who have registered their PEC account(s) online may also receive notifications via the registration email address.
- More information may be found on this Program in the "Medical Necessity Program" section of the PEC Tariff and Business Rules.

**INSTRUCTIONS FOR MEDICAL NECESSITY PROGRAM APPLICATION:**

**MEMBER:** Complete Part 1 of application and provide to patient's physician to complete

**PHYSICIAN:** Complete Part 2 of application

**MEMBER:** Return signed application to any PEC office or via email, fax, or mail

**Office locations:** Visit [pec.coop/locations](http://pec.coop/locations)

**Email:** [medical@peci.com](mailto:medical@peci.com)

**Fax:** 830-868-4956  
Attn: Medical Necessity Program

**Mail:** Pedernales Electric Cooperative, Inc.  
Attn: Medical Necessity Program  
P.O. Box 1  
Johnson City, Texas 78636

Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.

Section 700: Appendix – Medical Necessity Program Application

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MEDICAL NECESSITY PROGRAM APPLICATION - CONTINUED

PART 1: COMPLETED BY THE MEMBER - ALL INFORMATION IS REQUIRED

Member name on PEC account:

Patient name:

(Name of Patient living permanently at the Service Location who requires chronic condition or critical designation pursuant to PEC's Tariff and Business Rules. The Patient may be the same person as the Member.)

Account number on your PEC bill:

Generator?

Service location on your PEC bill:

City:

State:

Zip:

Mailing address on your PEC bill:

City:

State:

Zip:

Member primary phone:

Alternate phone (if any):

**Emergency (Secondary) Contact Information** (Your application will be rejected unless you include an Emergency Contact name or insert "I choose not to provide an Emergency Contact name." Failure to include an Emergency Contact may result in disconnection of your electric service without notice if PEC is unable to contact you.

Emergency contact:

Mailing address:

City:

State:

Zip:

Primary phone:

Alternate phone (if any):

**MEMBER** – I have read and understood PEC's information on the Medical Necessity Program and certify that the information provided on this application is correct. I understand the information may also be used to determine whether I am eligible for additional notices relating to my electric service. I agree to be contacted by telephone at the phone numbers listed above with respect to the Medical Necessity Program. Pedernales Electric Cooperative, Inc. is not liable for delayed or undelivered notifications.

**PATIENT/PATIENTS GUARDIAN, PARENT, OR MANAGING CONSERVATOR** – I have read and understood the information on the Medical Necessity Program and certify that the information provided in this application about me (or the patient) is correct. I agree to the release of the information on this form concerning my (or the patient's) medical condition for the purposes stated on this application.

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Medical Necessity Program Application**

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**MEDICAL NECESSITY PROGRAM APPLICATION - CONTINUED**

PART 2: COMPLETED BY THE PATIENT'S PHYSICIAN – ALL INFORMATION IS REQUIRED		
<b>CHRONIC CONDITION:</b>	<b>YES</b>	<b>NO</b>
The patient has a serious medical condition that requires an electric-powered medical device or electric heating or cooling to prevent impairment of a major life function through a significant deterioration or exacerbation of the person's medical condition.	<input type="checkbox"/>	<input type="checkbox"/>
If yes to the above, has the medical condition been diagnosed as a life-long condition?	<input type="checkbox"/>	<input type="checkbox"/>
<b>OR</b>		
<b>CRITICAL CARE CONDITION:</b>	<b>YES</b>	<b>NO</b>
The patient is dependent upon an electric-powered medical device to sustain life.	<input type="checkbox"/>	<input type="checkbox"/>
If yes to the above, has the medical condition been diagnosed as a life-long condition?	<input type="checkbox"/>	<input type="checkbox"/>
Physician name (please print):		
Texas Medical Board License number:		
Phone:		
Physician signature:		

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application For Interconnection and Parallel Operation of Distributed Generation (DG)**

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**700.5 APPLICATION FOR INTERCONNECTION AND PARALLEL  
OPERATION OF DISTRIBUTED GENERATION (DG)**



**APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION OF  
DISTRIBUTED GENERATION (DG)**

Name (First):

Name (Last):

Organization (if applicable):

PEC account number:

PEC meter number:

Member phone:

Member email:

Installation address:

Installer's name:

Installer's phone:

Installer's email:

**Distributed generator details:**

Fuel or energy source (solar, etc.):

Nameplate rating (kW-DC):

Nameplate output rating (kW-AC):

Operating voltage (volts):

Connection (phase):

Equipment manufacturer:

Power factor:

Frequency:

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application For Interconnection and Parallel Operation of Distributed Generation (DG)**

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**APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION OF  
DISTRIBUTED GENERATION (DG) - CONTINUED**

Battery storage system?  Yes  No

*If answering Yes to battery storage system, than complete the next set of questions:*

Nameplate rating (kW-DC):

Nameplate output rating (kW-AC):

Location of facility:

Installer's name:

Installer's phone:

Installer's email:

---

***By submitting to PEC, the Member authorizes PEC to discuss this application with the installer listed herein and such other persons necessary to process this Application including, but not limited to, any electrical contractor or consultant for the project.***

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

Applicable: Entire Certified Service Area

Effective Date: October 1, 2023

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**700.6 INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF  
DISTRIBUTED GENERATION (DG)**



**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED  
GENERATION (DG)**

THIS AGREEMENT (the "Agreement") made this \_\_\_\_\_ day of \_\_\_\_\_ by and between \_\_\_\_\_, hereinafter referred to as the "Member", and PEDERNALES ELECTRIC COOPERATIVE, INC., hereinafter referred to as the "Cooperative", is as follows:

Member owns or intends to own and/or operate an electric power generating installation, at the service location below, and desires to interconnect and operate such installation in parallel with the Cooperative's electric distribution system. This Agreement defines the requirements and responsibilities of the Member including terms affecting delivery and sale of electricity as well as conditions required for parallel operating distributed generation. Parallel operation and sales of electricity will be governed by the Cooperative's Tariff and Business Rules including any and all amendments that may hereafter be approved by the PEC Board of Directors.

Account number: \_\_\_\_\_

Member name: \_\_\_\_\_

Service location: \_\_\_\_\_

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **SCOPE OF AGREEMENT.** This Agreement is applicable to conditions under which Cooperative and Member agree that one or more generating facility or facilities, interconnecting at a single point, of ten (10) megawatts or less and related interconnecting facilities to be interconnected at less than 60 kilovolts ("Facility") may be interconnected to Cooperative's facilities, as described in Exhibit A.
2. **ESTABLISHMENT OF POINT(S) OF INTERCONNECTION.** The Cooperative and the Member agree to interconnect the Facility at the Point of Interconnection in accordance with the Cooperative's Tariff and Business Rules.
3. **RESPONSIBILITIES OF COOPERATIVE AND MEMBER.** While the Cooperative is not regulated in this matter by the Public Utility Commission of Texas, the Cooperative has adopted as its requirements for safety, reliability, and operational rule the Commission's Substantive Rule 25.212 "Technical Requirements for Interconnection and Parallel Operation of On-Site Distributed Generation" hereinafter referred to as the "Rules." Member shall, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for the Facility specified on Exhibit A. Member shall conduct its operations of the Facility in compliance with all aspects of the Rules. Maintenance of the Facility shall be performed in accordance with the applicable manufacturer's recommended maintenance schedule. Member agrees to cause the Facility to be constructed in accordance with specifications equal to or greater than those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction.

Member covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of, the Facility on its side of the point of common coupling so as to reasonably minimize the likelihood of a disturbance, originating in the Facility of one Party, affecting or impairing the Facility of the other

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

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**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG) - CONTINUED**

Party, or other Facility with which Cooperative is interconnected.

The Cooperative shall notify Member if there is evidence that operation of the Facility causes disruption or deterioration of service to other utility Members or if the operation of Facility causes damage to the Cooperative's facility or other Facility with which the Cooperative is interconnected. Member shall work promptly to resolve the problem.

Member shall notify the Cooperative of any emergency or hazardous condition or occurrence with the Facility which could affect safe operation of Cooperative's facility or other Facility with which Cooperative is interconnected.

Member shall provide Cooperative at least fourteen (14) Business Days' written notice of a change in ownership; any circumstances necessitating a change in the person who is the Member; or cessation of operations of one or more Facility. Upon notice by Member of circumstances necessitating a change in the person who is the Member, the Cooperative shall undertake in a reasonably expeditious manner entry of a new Agreement with the change in person who is the Member.

4. **RIGHT OF ACCESS, EQUIPMENT INSTALLATION, REMOVAL & INSPECTION.** Upon reasonable notice, the Cooperative will send a qualified person to the premises where the Facility is located to inspect the interconnection before the Facility first produces energy. Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Cooperative shall have access to the premises where the Facility is located for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its members. Member warrants it has, or has obtained from all other persons, all necessary rights to provide Cooperative with access to the premises and Facility, as necessary or appropriate for Cooperative to exercise its rights under this Agreement and the Rules.
5. **DISCONNECTION OF FACILITY.** Member retains the option to disconnect from the Cooperative's facilities. Member shall notify Cooperative of its intent to disconnect by giving Cooperative at least thirty (30) business days' written notice. Such disconnection shall be a termination of this Agreement.
6. **EFFECTIVE TERM AND TERMINATION RIGHTS.** This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. The Agreement may be terminated for the following reasons: (a) Member may terminate this Agreement at any time, by giving Cooperative thirty (30) business days' written notice; (b) Cooperative may terminate upon failure by Member to generate energy from the Facility within twelve months of executing this Agreement; (c) either the Cooperative may terminate by giving the Member at least thirty (30) Business Days' written notice that the Member is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity to cure the default. Upon termination Member will ensure the Facility is disconnected from the Cooperative's electric distribution system. The Cooperative may inspect the Facility to ensure proper disconnection from the Cooperative's electric distribution system.

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**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

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**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG) - CONTINUED**

7. **SALES OF ELECTRIC SERVICE TO MEMBER.** Member agrees to pay for electric service in accordance with the applicable Interconnection Rate and is subject to such other rates as may be applicable under its Tariff.
8. **CREDITS TO MEMBER.** The Cooperative shall credit electric service in accordance with the applicable rate schedule and is subject to such other rates as may be applicable under its Tariff.
9. **RECEIPT OF POLICY.** Member acknowledges that the Interconnection Policy of the Cooperative is found in its Tariff and Business Rules, as may be amended from time to time.
10. **LIMITATION OF LIABILITY AND INDEMNIFICATION.**
  - a. Member assumes full responsibility for electric energy furnished to him or her at and past the Point of Interconnection and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for both injuries to persons, including death resulting therefrom, and damages to property occurring upon the premises owned or operated by Member arising from electric power and energy delivered by Cooperative or in any way arising directly or indirectly from Member's Facility except (i) when the gross negligence or willful misconduct of the Cooperative or its agent or agents was the sole proximate cause of injuries, including death therefrom, to Member or to employees of Member or in the case of a residential Member, to all members of the household; and (ii) as to all other injuries and damages, to the extent that injuries or damages are proximately caused by or result in whole or in part from (a) any gross negligence or willful misconduct of the Cooperative or its agent(s) independent of and unrelated to the maintenance of Cooperative's facilities or any condition on Member's premises or (b) the breach by Cooperative of any provision of any contract regarding purchase and/or sale of electrical energy or service between Cooperative and Member.
  - b. The Cooperative's review process and any inspections are intended as a means to safeguard the Cooperative's facilities and personnel. The Member acknowledges and agrees that any review or acceptance of such plans, specifications and other information by the Cooperative shall not impose any liability on the Cooperative and does not guarantee the adequacy of the Member's equipment or DG facility to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost-effectiveness, safety, durability, or reliability of such installations.
  - c. Insurance and Indemnity. Member may consider obtaining liability insurance which insures Member against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation, and maintenance of the Member's generating equipment. Otherwise, the Cooperative's liability is limited herein and in accordance with its Tariff and Member agrees to indemnify and hold the Cooperative harmless from all claims except as may be specified herein or in the Tariff and Business Rules.
  - d. The Cooperative shall not be liable for either direct or consequential damages resulting from failures, interruptions, or voltage and wave form fluctuations occasioned by causes reasonably beyond the control of the Cooperative, including, but not limited to, acts of God or public enemy, sabotage and/or vandalism, accidents, fire, explosion, labor troubles, strikes, order of any court or judge granted in any bona fide adverse legal proceeding or action, or any order of any commission, tribunal or governmental authority having jurisdiction. For claims resulting from failures, interruptions, or voltage and wave form fluctuations

**Tariff and Business Rules for Electric Service  
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**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

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**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG) - CONTINUED**

occasioned in whole or in part by the negligence of the Cooperative or its agent(s), the Cooperative shall be liable only for that portion of the damages arising from personal injury, death of persons, or costs of necessary repairs to or reasonable replacement of electrical equipment proximately caused by the gross negligence or willful misconduct of the Cooperative or its agent(s). The Cooperative shall not be liable in any event for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Cooperative does not assume liability for any costs and damages arising from the disruption of the business of the Member.

11. **ENTIRE AGREEMENT.** This agreement constitutes the entire agreement between the parties and supersedes all prior agreements between Member and Cooperative for the service herein described, and the Cooperative, its agents and employees have made no representations, promises, or made any inducements, written or verbal, which are not contained herein. Member agrees that it is not relying on any statements not herein contained.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

**Member:**

By: \_\_\_\_\_  
Printed name: \_\_\_\_\_  
Date: \_\_\_\_\_

**Pedernales Electric Cooperative, Inc.**

By: \_\_\_\_\_  
Printed name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A:**

1. Member's Facility One-Line Diagram
2. Member's Facility map including location of the following:
  - a. Facility disconnects
  - b. Labeling of Facility
  - c. Cooperatives access points to Facility

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Primary Level Service Agreement**

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**700.7 PRIMARY LEVEL SERVICE AGREEMENT**



**PRIMARY LEVEL SERVICE AGREEMENT**

This Primary Service Level Agreement is entered into by and between

[Redacted]

herein called "Applicant", and Pedernales Electric Cooperative, Inc. (PEC), herein called "Cooperative" to ensure Applicant recognizes the responsibilities.

This Agreement covers the responsibilities of the Applicant at the following service location:

[Redacted]

**SERVICE CHARACTERISTICS:**

Applicant understands the Cooperative is delivering service to the service location as per Applicant's above request. The Cooperative meter will be the "Point of Delivery". Applicant will be solely responsible for all facilities past the Point of Delivery. This includes ongoing operations and maintenance for Applicant-owned facilities once the Service Location has been energized. The Applicant recognizes that PEC will not perform any work at any time past the Point of Delivery.

Service hereunder will be alternating current, [Redacted] phase, at a frequency of sixty (60) Hz,

and power will be delivered to the Member at [Redacted] kV voltage.

**TERM:**

This agreement will become effective and binding when executed by both parties, and will remain in effect while Applicant is receiving service delivered at Primary Service Level. The agreement will no longer be in effect if service disconnection is requested by the Applicant. In the case the Applicant wishes to change service delivery by the Cooperative from Primary Service to Secondary Service Level, the Applicant must contact the Cooperative and apply for a line extension as detailed in the Cooperative's Tariff and Business Rules, Section 400, Line Extension Policy.

**PEDERNALES ELECTRIC COOPERATIVE, INC.:**

Signature:

[Redacted]

Printed name:

[Redacted]

Title:

[Redacted]

Date:

[Redacted]

**APPLICANT:**

Signature:

[Redacted]

Printed name:

[Redacted]

Date:

[Redacted]

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application for Easement Release**

Applicable: Entire Certified Service Area

Effective Date: October 1, 2023

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**700.8 APPLICATION FOR EASEMENT RELEASE**



**APPLICATION FOR EASEMENT RELEASE**

In order to process an application for the release of an easement, the following items must be provided:

1. An Application for Easement Release completed and signed by the Applicant;
2. A survey plat, if available, of the area being requested for release showing all property lines, improvements on property, all easements contained on the property with special reference to the easement to be released;
3. If the easement being requested for release was dedicated and recorded by separate instrument, a copy of said instrument must also accompany the application. These documents are obtainable at the County Clerk's office in the respective county in which the document is recorded;
4. A cover letter may include specific information not included in the above, i.e. special circumstances or conditions such as closing dates, which the Applicant believes will assist PEC staff in the processing of the Application; and
5. A processing fee must accompany the Application; the application fee is to be paid by all Applicants, including governmental entities. This fee is non-refundable regardless of whether the Application is ultimately approved by Pedernales Electric Cooperative, Inc.

Upon receipt of the above items, the Application will be researched and reviewed. Assuming the release may be granted, the Cooperative will prepare the necessary documents; the Applicant will be responsible for recording of the easement release (and any associated recording fees) if necessary. Please allow a minimum of thirty (30) business days for processing, research and review.

If we are unable to grant your request, we will contact you promptly. If you have any questions, please contact the District Engineering Supervisor at the office listed below or call toll free at 877-372-0391.

Please submit your request and direct your questions to:


**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application for Easement Release**

Applicable: Entire Certified Service Area

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**APPLICATION FOR EASEMENT RELEASE - CONTINUED**

Application is hereby made for the release of the following easement as described below:

**The easement is on property legally described as:**

Subdivision/section: \_\_\_\_\_

Lot and block number: \_\_\_\_\_

Plat book volume/page: \_\_\_\_\_

Street address: \_\_\_\_\_

Provide common description of the easement requested for release, indicating the amount of the easement to be released (provide a survey or plat of the area with the area to be released highlighted).

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Property owner's name: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Telephone number: \_\_\_\_\_

Note: If multiple owners own the property in which the easement(s) is requested to be released, include the complete names, addresses, and phone numbers of each owner.

Describe proposed use of area to be released:

\_\_\_\_\_

\_\_\_\_\_

Additional relevant information for Cooperative's review:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application for Easement Release**

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**APPLICATION FOR EASEMENT RELEASE - CONTINUED**

Confirm the Application includes the following items:

- Plat/survey
- Copy of easement(s)
- Processing fee

The undersigned, as owner of the property referenced or agent, acknowledges the information including within the Application is true and accurate. It is further understood that receipt of this Application by Pedernales Electric Cooperative, Inc. does not obligate the Cooperative to release any easements referenced herein. The undersigned acknowledges that the Cooperative's employees or representatives may access and inspect the property referenced in the Application.

**APPLICANT:** \_\_\_\_\_

Signed by: \_\_\_\_\_

Printed name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PEC USE ONLY:**

APPROVED \_\_\_\_\_

UNAPPROVED \_\_\_\_\_

By: \_\_\_\_\_



**TARIFF AND BUSINESS RULES  
FOR ELECTRIC SERVICE**

Pedernales Electric Cooperative, Inc.  
201 South Avenue F  
P.O. Box 1  
Johnson City, Texas 78636-0001

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

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**Section 100: Definitions**

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**100 DEFINITIONS**

The following definitions apply to the Tariff and Business Rules for Electric Service, ("Tariff") of Pedernales Electric Cooperative, Inc. ("PEC" or "Cooperative"), including the service rules and regulations, policies, rate schedules and riders, and any service agreements made pursuant to this Tariff, unless specifically defined otherwise therein.

**Applicant** – A Person applying for membership into the Cooperative or a Member, property owner, developer, or home builder applying for a line extension, upgrade, or removal and/or relocation or modification of electric service facilities.

**Billing Determinant** – Measured, calculated, or specified values used to determine the Cooperative's Rates, charges, credits, and adjustments. These values may include, but are not limited to, measurements of kilowatt-hours (kWh), actual monthly Non-Coincident Peak (NCP) demand in kilowatts (kW), annual NCP demand in kilowatts (kW), Four (4) Coincident Peak Demand in kilowatts (kW), billing demand in kilowatts (kW), Power Factor, Community Solar Energy Units, Unit Energy Allocation, Solar Energy, Net Energy, and number of lamps.

**Business Day** – All days the Cooperative business offices are open, which includes all weekdays not including Cooperative Holidays.

**Capacity Demand** – The maximum demand (kW) of power consumed, measured on a fifteen (15) minute interval basis within the billing period as applicable.

**Commission** – The Public Utility Commission of Texas.

**Contribution in Aid of Construction (CIAC)** – Payment by Applicant to the Cooperative for line extensions, upgrades, or expansions in excess of allowable investments by the Cooperative, or for nonstandard service facilities, removals, or relocations.

**Cooperative** – Pedernales Electric Cooperative, Inc., a Texas electric cooperative corporation organized and operating under the Electric Cooperative Corporation Act, Texas Utilities Code Annotated, Chapter 161, or a predecessor statute to Chapter 161, and operating under that chapter.

**Cooperative Facilities** – All the plant and equipment of the Cooperative, including all tangible and intangible real and personal property without limitation, and any and all means and instrumentalities in any manner owned, operated, leased, licensed, used, controlled, furnished, or supplied for, by, or in connection with the business of the Cooperative, including any construction work in progress.

**Cost Calculation** – A calculation of the cost to extend electric service for Residential Service or Non-Residential Service. The Cost Calculation will include labor and materials used in constructing the line extension, as well as engineering, right-of-way acquisition and clearing to the extent undertaken by the Cooperative or its agents, and all other costs directly attributable to the extension.

**Delivered Energy** – The total energy (kWh) delivered to a Member during a billing cycle through the Cooperative's Delivery System.

**Delivery System** – The electric lines and other equipment, including transformers, owned by Cooperative, and the meters, including non-Cooperative owned meters, used in the delivery of electric power and energy.

**Development Cost Calculation** – A calculation of the cost to extend electric service to a residential subdivision or development, or non-residential development. The Development Cost Calculation will include labor and materials used in constructing the line extension, as well as engineering, right-of-way

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acquisition and clearing to the extent undertaken by the Cooperative or its agents, and all other costs directly attributable to the extension.

**Distributed Generation (DG)** – An electrical generating facility located at a Member's service location, which may be connected in parallel to the Delivery System.

**Four (4) Coincident Peak (4CP)** – The average of the monthly 15-minute demand for each of the months of June, July, August and September at the same time as the greatest ERCOT system 15-minute demand for the months of June, July, August and September.

**Four (4) Coincident Peak (4CP) Demand** – The demand (kW) measured during the 4CP.

**Good Utility Practice** – The meaning as assigned to this term in the Commission's Substantive Rule 25.5, Definitions.

**Guarantor** – A Member of the Cooperative who takes on a financial responsibility for an Applicant applying for service.

**Holiday** – Days the Cooperative does not consider a Business Day or days the Cooperative observes as holidays by not having hours of operation.

**Individual Private Dwelling** – A fixed, permanent residential structure. This term includes a mobile home that has been affixed in its permanent location. This term does not include self-propelled and non-self-propelled recreational vehicles that have no foundation other than wheels, jacks, or skirting.

**Interconnection** – The physical connection of a DG facility to the utility system in accordance with the requirements of the Interconnection Policy of the Cooperative.

**Interconnection Agreement** – The agreement which sets forth the contractual conditions under which the Cooperative and a Member agree that one (1) or more facilities will interconnect with the Delivery System.

**Installment Plan** – An agreement between the Cooperative and a Residential Service Member that allows the Member to pay an outstanding bill on installments extending beyond the bill's due date.

**Landlord Provision** – An owner or property manager acting as a landlord may apply for service and pay all applicable fees one time. Upon a tenants' disconnection, the landlord is automatically reconnected without being held liable for a tenant's bill nor charged additional establishment or interruption of service fees.

**Load Zone** – A group of electrical buses assigned to the same geographic region as designated by ERCOT.

**Member** – Any Person, firm, corporation, or body politic that has applied for electric service and has paid the Cooperative's membership fee.

**Member Class** – A group of Members with similar electric usage and service characteristics (i.e. residential, small power, large power) taking service under one (1) or more rate schedules.

**Multi-Family Dwelling** – Building(s) containing two (2) or more dwelling units, rented primarily for non-transient use, and with rent paid at intervals of one (1) week or longer. Multi-Family Dwelling includes residential condominiums, whether rented or owner occupied.

**Municipality** – A city, incorporated village, or town, existing, created, or organized under the general, home rule, or special laws of the State of Texas.

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**Net Operating Margins** – The excess revenue remaining after all operating expenses, including but not limited to, cost of power, depreciation, interest, and taxes have been deducted from the Cooperative's total operating revenue.

**Non-Residential Service** – Service provided to Members who meet the qualifications for service in Section 500.2.2, Non-Residential Service.

**Parallel Operation** – The operation of on-site DG while the customer connects to the Cooperative's Delivery System.

**Payment Plan** – Any agreement between the Cooperative and a Member that allows a Member to pay the outstanding bill after its due date.

**Peak Demand** – The maximum demand (kW) of power consumed measured on an hourly interval basis during the Peak and the Super Peak time periods as applicable.

**Person** – Any natural person or business entity or trust.

**Point of Delivery** – The point, as determined by the Cooperative, at which electric power and energy leaves the Delivery System. For residential installations, the Applicant will install and be solely responsible for the wiring of the installation and all service entrance wiring through the weather head and the meter base to the Applicant's main disconnect switch or service center. For non-residential installations, the Applicant will install and be solely responsible for the wiring of the installation on Applicant's side of the Point of Delivery regardless of the metering location provided that the voltage service level at the metering location is the same as that of the delivery point.

**Premises** – A tract of land or real estate including buildings and other appurtenances thereon.

**Primary Account** – For a Member that has multiple accounts, the account to which the membership fee is assigned and determines the Members' voting district.

**Primary Level Service** – Service delivered at any one of the Cooperative's standard service voltages delivered after one (1) Cooperative transformation (other than by use of autotransformers) from a transmission voltage.

**Qualifying Cogenerator** – The meaning as assigned to this term by 16 U.S.C. §796 (18) (C).

**Qualifying Cogeneration Facility** – The meaning as assigned to this term by 16 U.S.C. §796 (18) (B).

**Qualifying Facility** – Either a Qualifying Small Power Producer or Qualifying Cogeneration Facility.

**Qualifying Small Power Producer** – The meaning as assigned to this term by 16 U.S.C. §796 (17) (D).

**Rate** – Includes:

1. Any compensation, tariff, charge, adjustment, credit, rider, fare, toll, rental, or classification that is directly or indirectly demanded, observed, charged, or collected by the Cooperative for a service, product, or commodity; and
2. A rule, practice, or contract affecting the compensation, tariff, charge, fare, toll, rental, or classification.

**Real Time Market** – Energy transactions occurring within the current instant in time in the ERCOT market.

**Received Energy** – The surplus energy generated by a DG system with an Interconnection Agreement received by the Cooperative's Delivery System during a billing cycle.

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**Section 100: Definitions**

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**Residential Service** – Service provided to Members who meet the qualifications for service in Section 500.2.1, Residential, Farm and Ranch Service.

**Secondary Level Service** – Service delivered at any one of the Cooperative's standard service voltages delivered after two (2) or more Cooperative transformations (other than by use of autotransformers) from a transmission voltage.

**Service** – The term includes any act performed, anything supplied, and any Cooperative Facilities used or supplied by the Cooperative in the performance of its duties.

**Settlement Point Price** – The price calculated for the Load Zone for each 15-minute settlement interval in Real-Time Market operations.

**Tenant** – A Person who is entitled to occupy a dwelling unit to the exclusion of others and who is obligated to pay for the occupancy under a written or oral rental agreement.

**Transmission Level Service** – Service delivered at the Cooperative's standard transmission service voltage.

**Tariff and Business Rules for Electric Service  
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**Section 200: Description of the Cooperative Service Area**

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**200 DESCRIPTION OF THE COOPERATIVE'S SERVICE AREA**

PEC may serve all or a portion of the counties and cities listed below.

**200.1 COUNTIES SERVED**

Bell County	Guadalupe County	Mason County
Bexar County	Hays County	Menard County
Blanco County	Kendall County	Real County
Burnet County	Kerr County	San Saba County
Caldwell County	Kimble County	Schleicher County
Comal County	Kinney County	Sutton County
Edwards County	Lampasas County	Travis County
Gillespie County	Llano County	Williamson County

**200.2 FRANCHISE CITIES SERVED**

Austin	Highland Haven	Niederwald
Bertram	Horseshoe Bay	Point Venture
Blanco	Johnson City	Round Mountain
Boerne	Jonestown	Round Rock
Buda	Junction	San Leanna
Bulverde	Kempner	San Marcos
Cedar Park	Kyle	Spring Branch
Cottonwood Shores	Lago Vista	The Hills
Creedmoor	Lakeway	Uhland
Dripping Springs	Leander	Bear Creek
Fair Oaks Ranch	Liberty Hill	Briarcliff
Florence	Marble Falls	Volente
Georgetown	Meadowlakes	Weir
Granite Shoals	Mountain City	Wimberley
Hays	Mustang Ridge	Woodcreek

**Tariff and Business Rules for Electric Service  
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**Section 300: General Service Rules and Regulations**

Applicable: Entire Certified Service Area

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**300 GENERAL SERVICE RULES AND REGULATIONS**

**300.1 GENERAL**

This Tariff contains all Rates stated separately by type of service and the rules and regulations of the Cooperative affecting Rates, terms and conditions of service. The Tariff is intended to provide uniformity in the delivery of power and energy services to all Members within the Cooperative's service area.

The Cooperative will construct, own, operate, and maintain its Delivery System in accordance with Cooperative standards and Good Utility Practice for the delivery of electric power and energy.

The Cooperative will provide all Members access to the Delivery System pursuant to this Tariff, which establishes the Rates, terms and conditions, and policies for such access.

The Cooperative Rates will provide access to the Delivery System on a non-discriminatory basis to all Members.

**300.2 AVAILABILITY OF TARIFF**

The Tariff will be accessible on the Cooperative's website or as requested. The Cooperative will provide copies of this Tariff at each office where applications are received, at a Member's request.

**300.3 ALTERNATE LANGUAGE REQUIREMENTS**

The Cooperative may provide information in English, Spanish, and any other language as the Cooperative deems necessary.

**300.4 MEMBER ACCESS TO COOPERATIVE RECORDS**

A Member, upon written request, is entitled to examine and copy (at the Member's expense), at any reasonable time, the books, and records of the Cooperative subject to the conditions of the Cooperative's Open Records Policy.

Requests for information are restricted to Members of the Cooperative. The Open Records Policy does not require the creation of Records (as defined in the Open Records Policy). The Cooperative reserves the right to charge an Open Records fee to the Member, payable in advance, if fulfilling the request, or a series of substantively related requests, requires large amounts of employee time or other materials and services to fulfill the request. All fee amounts are per Section 500.4, Fee Schedule.

Please direct all Member requests for information to:

Open Records Request  
Pedernales Electric Cooperative, Inc.  
P.O. Box 1, Johnson City, TX 78636

- or -

openrecords@peci.com

**300.4.1 SUBPOENA RESPONSE SERVICES**

If records are requested by subpoena, the Cooperative may charge the requester an hourly fee to answer the request. All fee amounts are per Section 500.4, Fee Schedule.

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**300.4.2 EASEMENT RELEASE APPLICATION**

The Cooperative will assess a fee for processing an Application for Easement Release. A Member may contact the Cooperative for an Application for Easement Release. All fee amounts are per Section 500.4, Fee Schedule.

**300.5 WAIVERS**

The Cooperative's credit and deposit requirements are subject to change at any time by the Board of Directors. For good cause, including for natural disasters or other declared emergencies, the Chief Executive Officer may waive, suspend, or modify any credit or deposit requirement, the establishment fee, same day service fee, and reconnection fee for a limited duration to address the circumstances. The Chief Executive Officer must inform the Board of Directors at its next regular meeting of all actions taken.

**300.6 NON-DISCRIMINATION**

The Cooperative will not discriminate based on race, color, nationality, religion, sex, marital status, disability, income level, or source of income, and will not unreasonably discriminate based on geographic location.

**300.7 CREDIT WORTHINESS AND SECURITY DEPOSITS**

**300.7.1 CREDIT REQUIREMENTS FOR RESIDENTIAL APPLICANTS**

The Cooperative will require an Applicant for Residential Service or an existing residential Member to establish and maintain satisfactory credit as a condition of providing service.

Establishment of credit will not relieve any Member from complying with the Cooperative's requirements for prompt payment of bills.

The Cooperative will equally apply credit worthiness to both spouses for twelve (12) months immediately after a divorce.

An Applicant for Residential Service or an existing Residential Service Member can establish satisfactory credit by any of the following:

1. Clearing any unpaid or delinquent balances prior to re-establishing service with the Cooperative;
2. Meeting and adhering to the Cooperative's payment policies and/or Payment Plan such that:
  - a. During the most recent twelve (12) consecutive months of service the Member is not late in paying a bill more than once;
  - b. The Member does not have service disconnected for nonpayment; and
  - c. The Member does not have more than one (1) returned check.
3. Having had a credit risk assessment conducted by the Cooperative or on its behalf and receiving a satisfactory credit risk assessment; or
4. Providing customer history from any electric service provider for the same kind of service within the last two (2) years; was not delinquent more than once in payment of any such electric service account in the most recent twelve (12) consecutive months of service, and provides a satisfactory letter of credit history from the Applicant's previous electric service provider.

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**300.7.2 CREDIT REQUIREMENTS FOR NON-RESIDENTIAL APPLICANTS**

For Non-Residential service, if an Applicant's or existing Member's credit has not been demonstrated satisfactorily to the Cooperative, the Applicant may be required to pay a deposit in an amount not to exceed one-sixth (1/6th) of the annual estimated bill.

An Applicant for Non-Residential Service or an existing non-residential Member can establish satisfactory credit by:

1. Clearing any unpaid or delinquent balances prior to re-establishing service with the Cooperative;
2. Meeting and adhering to the Cooperative's payment policies and/or Payment Plan such that:
  - a. During the most recent twenty-four (24) consecutive months of service the Member is not late in paying a bill more than once;
  - b. The Member does not have service disconnected for nonpayment; and
  - c. The Member does not have more than one (1) returned check.
3. Providing customer history from any electric service provider for the same kind of service within the last two (2) years; was not delinquent more than once in payment of any such electric service account in the twenty-four (24) consecutive months of service, and provides a satisfactory letter of credit history from the Applicant's previous electric service provider; or
4. Having had a credit risk assessment conducted by the Cooperative or on its behalf and receiving a satisfactory credit risk assessment.

**300.7.3 DEPOSITS AND GUARANTEE AGREEMENTS**

**300.7.3.1 NEW APPLICANT**

Upon application, if an Applicant is not credit worthy per Sections 300.7.3.1, New Applicant or Section 300.7.3.2, Existing Member, they will be required to pay the following deposits, unless they qualify and choose the residential Pre-paid Payment Plan or Bank Draft Payment Plan option:

1. A fixed deposit in the amount of one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for Non-Residential service in the event the Applicant fails to provide complete, accurate, and verifiable identification information when requested by the Cooperative when applying for electric service; or
2. A fixed deposit in the amount of either seventy-five dollars (\$75.00) or one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for Non-Residential Service in the event the Applicant fails to either:
  - a. Provide a satisfactory letter of credit history from its previous electric service provider; or
  - b. Receive a satisfactory credit risk assessment conducted by the Cooperative or on its behalf. The amount of the deposit due will be based on a credit risk assessment.

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**300.7.3.2 EXISTING MEMBER**

An existing Member applying for additional electric service is required to pay the following charges, unless they qualify and choose the residential Pre-paid Payment Plan or Bank Draft Payment Plan option:

1. A fixed deposit in the amount of one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for Non-Residential Service in the event the Member fails to provide complete, accurate and verifiable identification information when requested by the Cooperative when applying for additional electric service; or
2. A fixed deposit in the amount of either seventy-five dollars (\$75.00) or one hundred fifty dollars (\$150.00) for Residential Service or three hundred dollars (\$300.00) for a Non-Residential Service in the event the Member failed to satisfactorily demonstrate to the Cooperative the Member's credit worthiness or otherwise demonstrated a previous history of neglect to fulfill membership obligations. Examples include, but not limited to, paying a bill late more than once during the most recent twelve (12) consecutive months of service for Residential or twenty-four (24) consecutive months for Non-Residential Service, disconnection for nonpayment, failure to meet obligations under an installment plan, return of a check for insufficient funds, theft of service, meter tampering, safety code violations or fraud. The Cooperative bases the amount of the deposit due on a credit risk assessment.

If the Member applying for additional electric service has less than twelve (12) consecutive months of service, the Member may provide a satisfactory letter of credit history from its previous electric service provider or have a credit risk assessment conducted by the Cooperative on its behalf and receive a satisfactory credit risk assessment.

**300.7.3.3 ADDITIONAL DEPOSIT**

If the Applicant or existing Member has already paid a fixed deposit, the Applicant may be required to pay an additional deposit up to a total deposit amount not to exceed one-sixth (1/6th) of the annual estimated bill.

**300.7.3.4 DEPOSIT WAIVER DUE TO FAMILY VIOLENCE**

If the Applicant or existing Member has been determined to be a victim of family violence as defined in the Texas Family Code §71.004, such Person will not be required to pay either an initial or additional deposit when establishing new service. This determination will be evidenced by submission to the Cooperative of a certification letter developed by the Texas Council on Family Violence within ten (10) Business Days of the application for service. This waiver will only be applied toward an initial or additional deposit for a single location for the Applicant or existing Member unless another certification letter is later provided. Any reconnections after nonpayment will be subject to payment of the past due balance, reconnection fee, deposits, and any other fees required. All fee amounts are per Section 500.4, Fee Schedule.

**300.7.3.5 REFUSAL OF SERVICE**

The Cooperative may refuse to provide service to an Applicant if the requested deposit is not paid at the initiation of service. The Cooperative may also refuse to reconnect service to an Applicant or existing Member if the requested deposit is not paid upon request.

**300.7.4 GUARANTEES OF RESIDENTIAL MEMBER ACCOUNTS**

The Cooperative will allow an Applicant that cannot meet the credit requirements as defined in Section 300.7, Credit Worthiness and Security Deposits, to have a Guarantor sign an agreement that fulfills the credit requirements on their behalf. A guarantee agreement between the Cooperative

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and a Guarantor with satisfactory credit must be in writing and will be for no more than the amount of the initial deposit the Cooperative would require on the Applicant's account pursuant to Section 300.7.3.1, New Applicant.

1. A Guarantor can establish satisfactory credit by meeting and adhering to the Cooperative's payment policies and/or Payment Plans such that:
  - a. During the most recent twelve (12) consecutive months of service the Guarantor is not late in paying a bill more than once;
  - b. During the most recent twelve (12) consecutive months of service the Guarantor has not had service disconnected for nonpayment; and
  - c. During the most recent twelve (12) consecutive months of service the Guarantor has not had more than one (1) returned check.
2. The Cooperative will void and return the guarantee to the Guarantor according to the provisions of Section 300.7.8, Refunding Deposits and Voiding Letters of Guarantee.
3. Upon default by a residential Member, the Guarantor of that Member's account will be responsible for the unpaid balance of the account only up to the amount agreed to in the written agreement.
4. The Cooperative will provide written notification to the Guarantor of the Member's default, the amount owed by the Guarantor, and the due date for the amount owed.
5. The Cooperative will provide the Guarantor a bill which will include the payment due date which will not be less than sixteen (16) calendar days after issuance.
6. The Cooperative may transfer the amount owed on the defaulted account to the Guarantor's own service bill, provided it separately identifies the guaranteed amount owed on the Guarantor's bill.
7. The Cooperative may disconnect service to the Guarantor for nonpayment of the guaranteed amount.

**300.7.5 AMOUNT OF DEPOSIT**

The total deposit(s) from an Applicant or Member will not exceed one-sixth (1/6th) of the estimated annual billing for the account unless the Member or Applicant is subject to the fixed deposit amount described in Section 300.7.3, Deposits and Guarantee Agreements, in which case the amount of the deposit will not be less than the amount of those fixed deposit(s).

**300.7.6 INTEREST ON DEPOSITS**

The Cooperative will pay interest on any required deposits at an annual rate at least equal to that set by the Commission on December first (1st) of the preceding year, pursuant to Texas Utilities Code §183.003. If a deposit is refunded, payment of interest will be made retroactive to the date of the deposit.

Payment of the interest will be made to the Member annually or at the time the deposit is returned or credited to the Member's account.

The deposit will cease to draw interest on the date it is returned or credited to the Member's account.

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**300.7.7 RECORDS OF DEPOSITS**

The Cooperative will keep the following records:

1. The name and address of each depositor;
2. The amount and date of the deposit; and
3. Each transaction concerning the deposit.

The Cooperative will issue a receipt of deposit to each Applicant paying a deposit and will provide means for a depositor to establish a claim if the receipt is lost.

The Cooperative will maintain a record of each unclaimed deposit for at least four (4) years.

The Cooperative will make a reasonable effort to return unclaimed deposits.

**300.7.8 REFUNDING DEPOSITS AND VOIDING LETTERS OF GUARANTEE**

If service is not connected or is disconnected, the Cooperative will promptly refund the Applicant's deposit, plus accrued interest on the balance, if any, in excess of the unpaid bills for service furnished and void and return to the guarantor all letters of guarantee on the account or provide written documentation that the contract has been voided.

The Cooperative will promptly refund the deposit plus accrued interest to the Member or credit the amount of the deposit and accrued interest to the Member's account or void and return the guarantee or provide written documentation that the contract has been voided when the following conditions are all met.

1. Member has paid bills for Residential Service for twelve (12) consecutive billing months or when the Member has paid bills for Non-Residential Service for twenty-four (24) consecutive billing months;
2. During that time service was not disconnected for nonpayment of a bill; and
3. During that time Member was not delinquent in the payment of bills more than once.

The deposit may be retained if the Member:

1. Does not meet the foregoing refund criteria; or
2. Failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

The letter of guarantee may be retained if the Member does not meet the foregoing refund criteria.

**300.7.9 RE-ESTABLISHMENT OF CREDIT**

A Member whose service has been disconnected for nonpayment of bills or theft of service (meter tampering or bypassing of meter) will be required, before service is reconnected, to pay all amounts due to the Cooperative, including reconnection and other applicable fees, and reestablish credit. All fee amounts are per Section 500.4, Fee Schedule.

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**300.8 ESTABLISHING MEMBERSHIP**

**300.8.1 ESTABLISHING MEMBERSHIP AND MEMBERSHIP FEE**

Membership in the Cooperative is required for service. A Person that is a Member of the Cooperative will be entitled to a single or joint membership, no matter how many meters or accounts the Member has. A fee will be required with the initial application for service and establishes the Primary Account. At that time, the fee will be applied to the Member's open account or applied to the outstanding account balance of the last open account. Termination of membership does not release a Member or Member's estate from debts owed to the Cooperative. Additional fees may be required for each additional service connection requested by the Member, but the Cooperative will not charge an additional membership fee due to the creation of additional service connections by the Member. The Cooperative will retain the membership fee until the membership terminates or the property sells. All fee amounts are per Section 500.4, Fee Schedule.

**300.8.2 ESTABLISHMENT OR TRANSFER FEE**

There will be a fee collected for connecting service and/or transferring account information per service location. All fee amounts are per Section 500.4, Fee Schedule.

**300.9 SERVICE**

This section applies to all locations within the Cooperative's service area, according to the type of service provided and subject to the provisions of the Cooperative's Rates and Line Extension Policy and any other applicable provisions of the Tariff. These rules will not relieve in any way the Cooperative or Member from any of their duties under the laws of the State of Texas or the United States.

**300.9.1 CONDITIONS OF SERVICE**

The Cooperative will provide electric service to all Applicants within its service area, provided the following conditions are met:

1. The Applicant pays a membership fee and any other amounts required by the Cooperative's rules, including amounts required in Section 300.7, Credit Worthiness and Security Deposits;
2. The Applicant is not delinquent on a past or present account;
3. The Applicant accepts the terms for membership and rules for service, and provides the Cooperative with information reasonably required to verify the identity of the Applicant;
4. The Applicant provides a billing address or an email address for purposes of billing notification;
5. The Applicant grants the Cooperative easement rights and acquires all necessary easements from adjacent landowners on a form acceptable to the Cooperative for its facilities. All costs and expenses, if any, related to the acquisition of easements to serve the Applicant will be the responsibility of the Applicant, including the Cooperative's costs and expenses if the Cooperative participates in the acquisition of the easements through condemnation proceedings;
6. The Applicant provides a meter loop conforming to the Cooperative's standards and the National Electrical Code (NEC);
7. The Applicant's installation and equipment must not be hazardous or of such type that satisfactory service cannot be given;
8. The Applicant will grant access to the Cooperative or its authorized contractors or agents at all reasonable hours, or at any hour if for the sole purpose of restoring power, maintaining,

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upgrading, construction, or repairs of Cooperative Facilities, and perform other activities necessary to provide electrical service, including collection activity and vegetation management that in the opinion of the Cooperative may constitute a hazard to Cooperative personnel or facilities, or to the provision of electrical service. Applicant may ask the authorized contractor or agent to exhibit a photo identification badge to gain access. Failure to provide access to Cooperative Facilities may result in suspension of electrical service; and

9. The Cooperative can provide service from existing Cooperative lines or the Cooperative can build new power lines as detailed in Section 400, Line Extension Policy.

**300.9.2 TIMING OF SERVICE**

Applications for new electric service not involving line extensions or construction of new facilities will be connected no later than three (3) Business Days after the Applicant has met the credit requirements in Section 300.7, Credit Worthiness and Security Deposits, and complied with all applicable state and municipal regulations.

**300.9.3 SAME DAY SERVICE FEE**

If an Applicant or a Member requests same day connection or reconnection due to nonpayment, any time outside of 8:00 am to 5:00 pm on Business Days, the Cooperative will collect a fee for providing service the same day. All fee amounts are per Section 500.4, Fee Schedule.

**300.9.4 SERVICE TO RENTAL LOCATION**

The Cooperative's preference is for Individual Private Dwellings or Multi-Family Dwellings to be separately metered and will be subject to all related provisions and fees herein.

Owners, operators, proprietors, or lessors who provide leased or rented units and require continued service during periods of vacancies will be required to make application for electric service for each leased or rented unit and are encouraged to utilize the Landlord Provision. Owners, operators, proprietors, or lessors will be obligated to pay for such service and are not required to pay an establishment fee each time a vacancy occurs.

Any tenant may request electric service disconnection for their account and the Cooperative will disconnect service as soon as reasonably possible. If an owner, operator, proprietor, or lessor, establishes an account as provided in this section, those people will be obligated to pay for service during any periods of vacancy.

Upon sale of property, the owners, operators, proprietors, or lessors are responsible for notifying the Cooperative to update the account status. The owners, operators, proprietors, or lessors are responsible for all bills at the locations until such time of notice.

**300.9.5 REFUSAL OF SERVICE**

The Cooperative may refuse to serve an Applicant for any of the following reasons:

1. The Applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given, or the Applicant's facilities do not comply with all applicable state and municipal regulations;
2. The Applicant fails to comply with the Cooperative's Tariff pertaining to operation of nonstandard equipment or unauthorized attachments, which interfere with the service of others. The Cooperative will provide the Applicant notice of such refusal and a reasonable amount of time to comply with the Cooperative's Tariff;
3. The Applicant applies for service at a location where another Member has received, or continues to receive, service and the bill is unpaid at that location, and the Cooperative can

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prove the change in identity is made in an attempt to help the other Member avoid or evade payment of the Cooperative's outstanding bill.

4. The Applicant refuses or fails to permit the Cooperative or its authorized contractor or agents access to Cooperative Facilities whether located either at the Applicant's property or across the Applicant's property;
5. The Applicant owes a debt to the Cooperative for the same kind of service requested;
6. The Applicant refuses to pay a deposit that is required in Section 300.7.3, Deposits and Guarantee Agreements; or
7. The Applicant's guarantor on any account refuses to pay the amount agreed to under a guarantee agreement.

If the Cooperative has refused to serve an Applicant, the Cooperative will inform the Applicant of the reason for its refusal and the Applicant may file a complaint as referenced in Section 300.14.4, Member Complaints.

**300.9.6 CONTINUITY OF SERVICE**

The Cooperative endeavors to provide continuous electric service but makes no guarantees against interruptions. The Cooperative will make all reasonable efforts to prevent interruptions of service. When interruptions occur, the Cooperative will re-establish service within the shortest possible time. If continuous service at a constant voltage is required, the Member must install the necessary equipment. Should Members require three-phase service, they will be responsible for providing and operating such protective equipment as is necessary to protect their equipment from damage resulting from loss of power to one (1) or more phases. If electric service interruption occurs, the Member must determine if the equipment and wiring is functioning properly. Cooperative personnel will not make repairs to Member's wiring or equipment.

The Cooperative will not be held liable for damages caused by interruption, failure to commence delivery, or voltage, wave form, or frequency fluctuation caused by interruption or failure of service or delay in commencing service due to accident or breakdown of plant, lines, or equipment, strike, riot, act of God, order of any court or judge granted in any bona fide adverse legal proceedings, or action or any order of any commission or tribunal having jurisdiction; or, without limitation by the preceding enumeration, any other act or things due to causes beyond its control, to the negligence of the Cooperative, its employee, or contractors, except to the extent that the damages are occasioned by the gross negligence or willful misconduct of the Cooperative.

**300.9.7 DISCONTINUATION OF SERVICE**

**300.9.7.1 VOLUNTARY MEMBER DISCONNECTION**

A Member may request disconnection, and the Cooperative will disconnect the service on the date requested by a Member or no later than three (3) Business Days after such date.

**300.9.7.2 COOPERATIVE DISCONNECTION**

**300.9.7.2.1 DISCONNECTION WITH NOTICE**

The Cooperative may disconnect service after proper notice, as referenced in Sections 300.11, Billing and Payment, and 300.9.1, Conditions of Service, for the following reasons:

1. Failure to pay a bill for Cooperative services or make a payment arrangement by the date of disconnection and the account is delinquent;

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2. Failure to comply with the terms of any payment agreement;
3. Failure to pay a deposit when required;
4. Failure to pay a guaranteed amount when required;
5. Violation of the Cooperative's rules on using service in a manner which interferes with the service of others or the operation of nonstandard equipment, if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation; or
6. Refusal or failure to permit the Cooperative or its authorized contractors or agents access to Cooperative Facilities, whether located either at the Member's property or across the Member's property, if a reasonable attempt has been made to notify the Member and the Member is provided with a reasonable opportunity to remedy the situation described in the notice; or
7. Paying a delinquent account balance with a check returned to the Cooperative for insufficient funds.

**300.9.7.2.2 DISCONNECTION WITHOUT PRIOR NOTICE**

The Cooperative may disconnect service without prior notice for any of the following reasons:

1. Where a known dangerous condition exists. Where accessible, given the nature of the hazardous condition, the Cooperative will post a notice of disconnection and the reason for the disconnection at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected;
2. Where the Cooperative discovers that service is being obtained in any unlawful manner;
3. If required by any official having authority to order such disconnection (where possible with prior notice);
4. Where service is connected without authority;
5. Where service was reconnected without authority after termination for nonpayment; or
6. Where there has been tampering with the Cooperative's equipment or evidence of theft of service.

**300.9.7.2.3 DISCONNECTION PROHIBITED**

The Cooperative may not disconnect service for any of the following reasons:

1. Delinquency in payment for the Cooperative's service by a previous occupant of the premises;
2. Failure to pay disputed charges, except for the required average billing payment, until a determination as to the accuracy of the charges has been made by the Cooperative and the Member has been notified of this determination; or

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3. Failure to pay charges arising from an under-billing due to any faulty metering, unless the under-billing arises from a theft of service by a Member.

**300.9.7.2.4 DISCONNECTION DUE TO COOPERATIVE  
ABANDONMENT**

The Cooperative will not abandon a Member or a certified service area without written notice to its Members and all similar neighboring utilities, and approval from the Commission.

**300.9.7.2.5 DISCONNECTION OF PAYMENT ASSISTANCE  
MEMBERS**

The Cooperative cannot terminate service to a delinquent residential Member for a billing period in which the Cooperative receives a pledge, letter of intent, purchase order, or other notification that an energy assistance provider is forwarding sufficient payment to continue service.

**300.9.7.2.6 DISCONNECTION DURING EXTREME WEATHER**

The Cooperative will not disconnect a residential Member on a day when:

1. The previous day's highest temperature did not exceed thirty-two (32) degrees Fahrenheit, or the temperature is predicted to be at or below that level for the next twenty-four (24) hours, according to the local National Weather Service (NWS) reports for the Member's designated territory, eastern or western; or
2. The previous day's highest temperature exceeded one hundred (100) degrees Fahrenheit, or the predicted temperature is to be at or above that level for the next twenty-four (24) hours, according to the local NWS reports for the Member's designated territory, eastern or western.

**300.9.7.2.7 DISCONNECTION DURING WEEKEND OR HOLIDAY**

The Cooperative will not disconnect a Member on a weekend day or Holiday.

**300.9.7.2.8 DISCONNECTION NOTICES**

Any disconnection notice issued by the Cooperative to a Member will:

1. Not be issued before the first calendar day after the bill is due, to enable the Cooperative to determine whether the payment was received by the due date;
2. Be a separate mailing, electronic notice, or hand-delivered notice with a stated date of disconnection with the words "disconnection notice" or similar language prominently displayed;
3. Have a disconnection date not less than seven (7) calendar days after the Cooperative issues notice;
4. Be written in English and Spanish; and
5. Include a statement notifying the Member that if they need assistance paying their bill by the due date, or are ill and unable to pay their bill, they may be able to make an alternate Payment Plan, establish an installment plan, or possibly secure payment assistance. The notice will also advise the Member to contact the Cooperative for more information.

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**300.9.8 SWITCHOVER AND DISCONNECT FEES**

In cases where the Cooperative provides electric service to a Member and the Member requests disconnection to obtain electric service from another utility certified to that area, the following rules will apply.

1. The Member will request the Cooperative, in writing, to disconnect electric service from the desired location.
2. The Member will pay the following charges prior to disconnection:
  - a. All applicable fees and costs to cover labor and transportation costs involved in the disconnection;
  - b. A charge for distribution facilities rendered idle from the disconnection and not useable elsewhere on the system based on the original cost of such facilities less accumulated depreciation, salvage, and any previous CIAC;
  - c. A charge for the labor and transportation costs involved in removing any idle facilities. This charge only applies if the disconnecting Member requests removal, if removal is required for safety reasons, or if the salvage value of the facilities does not exceed such removal costs; and
  - d. All charges for electric service up to the date of disconnection.

Upon payment of the above charges, the Member will receive a paid receipt from the Cooperative for presentation to the connecting utility.

The Cooperative will advise the Member that the connecting electric utility may not provide service to Member until such connecting utility has evidence that the Member has paid all charges provided for under this tariff.

All fee amounts are per Section 500.4, Fee Schedule.

**300.9.9 RECONNECTION FEE**

The Cooperative will assess a fee for reconnection after nonpayment. Service reconnections for nonpayment after business hours are at the Cooperative's discretion. In the event the Cooperative performs any service reconnections for nonpayment after business hours on Monday through Sunday, the Member must pay a non-refundable same day service fee prior to reconnection. This fee is in addition to the past due balance, reconnection fee, deposits and any other fees required. All fee amounts are per Section 500.4, Fee Schedule.

**300.9.10 MEDICAL NECESSITY PROGRAM**

The Cooperative will maintain a registry of Residential Service locations where people rely on life-sustaining electrical equipment. To be considered for this program a Member must complete, submit and have approved by the Cooperative a Medical Necessity Program Application, Appendix 700.4.

To qualify, the location must house someone diagnosed by a physician in one of the following categories:

1. Chronic – Having been diagnosed by a physician as requiring an electric-powered device to prevent the impairment of major life function. To maintain chronic designation, Members must reapply once a year;

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2. Chronic, lifelong – Same as chronic, but does not require annual application;
3. Critical care – Having been diagnosed by a physician as requiring an electric-powered device to sustain life. To maintain critical care designation, Members must reapply once every two (2) years; or
4. Critical care, lifelong – Same as critical care, but does not require biennial application.

When planned outages or service interruptions for nonpayment are scheduled, the Cooperative will attempt advance notice so preparations can be made. This Program does not guarantee priority electric service restoration, and locations registered in the program are not exempt from planned service interruptions, nor are registered Members exempt from their financial responsibilities or from the termination of service.

**300.9.11 CRITICAL LOAD PROGRAM**

The Cooperative will maintain a registry of non-residential service locations that can be classified as public safety, industrial, or natural gas infrastructure. To be considered for this program a Member must complete, submit, and have approved by the Cooperative a Critical Load Program Application.

To be considered, the location must fall into one of the following categories:

2. Public Safety – A Member for whom electric service is considered crucial for the protection or maintenance of public safety, including but not limited to hospitals, police stations, fire stations, and critical water and wastewater facilities.
3. Industrial – An industrial Member for whom an interruption or suspension of electric service will create a dangerous condition or significant disruption on the member's premises.
4. Natural gas infrastructure – A Member that supports natural gas-fired generation, including gas control center or gas compressor plant.

When planned outages or service interruptions for nonpayment are scheduled, the Cooperative will attempt to provide advance notice so preparations can be made. For unplanned outages, the Cooperative will prioritize Critical Load Program participants for restoration as much as practicable. This Program does not guarantee priority electric service restoration, and locations registered in the program are not exempt from planned service interruptions, nor are registered Members exempt from their financial responsibilities or from the termination of service.

**300.9.12 RECORD OF INTERRUPTION**

The Cooperative will keep records of sustained interruptions. Where practical, the Cooperative will keep a complete record of all momentary interruptions. These records will show the type of interruption, the cause for the interruption, the date and time of the interruption, the duration of the interruption, the number of Members interrupted, the substation identifier, and the transmission line or distribution feeder identifier. The Cooperative will retain records of interruptions for five (5) years.

**300.10 EMERGENCY OPERATIONS PLAN**

The Cooperative will maintain an emergency operations plan as required by the Commission.

**300.11 BILLING AND PAYMENT**

Once service has been established, Members will begin to receive bills on a recurring monthly basis per the billing cycle selected. The billing date will be posted on the Member's bill and refers to the date the bill has been generated. Service dates are included and refer to the days of service within that billing period. The payment due date is provided on the billing statement accompanied with the total amount

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due. The payment due date will not be less than sixteen (16) calendar days after the bill has been generated. The word "estimated" will be shown prominently displayed on a bill, if necessary, to identify an estimated bill. The Cooperative may submit estimated bills for good cause provided an actual meter reading is unavailable. Payments will be considered delinquent if not paid by the due date as stated on the monthly bill provided.

**300.11.1 BILLING RECORDS RETENTION**

The Cooperative maintains monthly billing records for each account for at least three (3) years after the mailed bill date. The billing records will contain sufficient data to reconstruct a Member's billing for a given month. Members may request copies of their account's billing records.

**300.11.2 PAYMENT**

All bills for electric service are payable via any of the payment options offered by the Cooperative.

The Cooperative may discontinue service to Members who fail to pay for service within seven (7) calendar days from the date of the delinquent notice.

Members may arrange a Payment Plan with the Cooperative to prevent disconnection for non-payment of a delinquent account.

**300.11.3 PAYMENT PLANS**

**300.11.3.1 PRE-PAID PAYMENT PLAN**

This plan allows Members to deduct the costs for electric service from a credit on the account placed in advance of usage. Members enrolled in this option agree to an automatic service disconnection when their account reaches a zero (0) debit balance or more.

**Applicability**

This plan is available to Members enrolled in a residential service rate with a remote connect/disconnect enabled meter. This payment option may not be combined with an Installment Plan or any other Payment Plan. Members enrolled in time-of-use, interconnect, or community solar rate are ineligible for this payment option. Additionally, Members with three-phase service, participating in the advanced metering opt-out program, on the medical necessity program, or in the critical load program, are ineligible for enrollment.

Members with an outstanding account balance must bring their balance to zero (0) or agree to an arrangement for payment of the outstanding balance prior to enrollment. If the Member enters into an arrangement for payment, PEC will apply fifty percent (50%) of every payment to the outstanding balance and fifty percent (50%) to the pre-paid account balance until the Member pays the outstanding balance in full. Once enrolled, Members may not enter into a subsequent arrangement for payment of an outstanding account balance.

**Requirements**

To qualify for this option, Members must:

1. Have a valid email account or phone number to receive notifications;
2. Consent to receive notifications regarding this payment option, including electronic mail or messages, phone messages or texts, at any electronic mail address or phone number provided to the Cooperative;
3. Agree to update contact information upon any changes to such information; and

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4. Have a remote connect/disconnect enabled meters installed at the service location.

**Plan Details**

Member Agreement – Upon enrollment, Member agrees to all terms and conditions of this option.

Initial Balance – A minimum credit balance of twenty-five dollars (\$25.00) will be required upon enrollment in this option. Existing Members may apply deposit funds towards the minimum credit balance.

Deposits – Members enrolling in this option with credit worthiness are not required to post an account deposit. If an Applicant's or existing Member's credit has not been demonstrated satisfactorily to the Cooperative, a fifty-dollar (\$50.00) deposit will be required.

The Cooperative may apply any portion of a Member's existing deposit to pre-paid account balance.

Notices – The Cooperative provides Members with Member-controlled and system generated notices regarding their pre-paid account balance and electric service connection status. Members may elect to receive notices via phone call, email, or text message. The Cooperative provides a system-generated low balance notice when the account balance becomes less than ten dollars (\$10.00). Members are responsible for setting up their own Member-controlled notices via the Cooperative's online account management system.

Disconnections – Section 300.9.7, Discontinuation of Service, other than Section 300.9.7.2.7, Disconnection during Weekend or Holiday, will not apply to Members on this option. Disconnections take place when the Cooperative sends the depleted balance notice, which is the last notice provided.

Rates and Fees – Membership and establishment fees apply to Members enrolled in this option. Members on this option will not be subject to same day service fees, late, or reconnection fees. All fee amounts are per Section 500.4, Fee Schedule. Rates apply as per Section 500, Rates, with the exceptions listed below.

1. The service availability charge will be converted to a daily rate; and
2. Service availability charges will continue to accrue daily on connected meter, even if energy consumption does not occur.

Reconnection – Once the required payment posts to the account, reconnection takes place. The payment must cover:

1. All balances owed for services provided;
2. Amounts agreed upon in Payment Plan if applicable; and
3. The required minimum credit balance of twenty-five dollars (\$25.00). Pre-paid accounts may not enter into an outstanding balance Payment Plan to achieve reconnection. All acceptable forms of payment that cover the amounts listed above will result in reconnection.

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If a Member terminates service or the account disconnects for nonpayment and remains disconnected for seven (7) Business Days, the Cooperative will settle and final bill the account.

Billing; Late Payment Processing Fees; Transfers of Delinquent Balances and Record Retention – Sections 300.9.12 through 300.11.1 do not apply to Members on this option except for Section 300.11.10, Transfers of Delinquent Balances.

Cancellation – A Member may choose to convert the account to another payment option at any time. The Member or the Cooperative may cancel enrollment on this option upon notification to the other party. Upon cancellation, the accumulated balance of the Member's account will become due and payable.

**300.11.3.2 INSTALLMENT PLAN**

This plan is an agreement between the Cooperative and a residential Member that allows the Member to pay installments that extend beyond the due date of the next bill. The Cooperative may offer this plan to any residential Member who has expressed an inability to pay and meets the criteria specified in the Cooperative's Tariff and has not been delinquent more than once in the last twelve (12) months.

The Member will pay the current bill each month, plus the agreed upon portion of the amount deferred. Failure to fulfill the terms of the agreement will result in discontinuance of service and all amounts owed will become due immediately.

The Cooperative may decline to offer this plan if, in the Cooperative's judgment, the Member is lacking sufficient credit or satisfactory history to warrant further extension of credit or if the Member has failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

**Plan Details**

1. This plan may be established in person or by telephone;
2. This plan must be put in writing and provided to the Member;
3. This plan must allow for the delinquent amount be paid in negotiable installments;
4. This plan must state the length of time covered by the plan, the total amount to be paid, and the specific amount of each installment;
5. This plan must permit the Member or the Cooperative to initiate a renegotiation of the installment plan if the Member's circumstances change substantially during the time of the plan;
6. This plan must allow the Cooperative to disconnect service if the Member does not fulfill the terms of the installment plan, and will state the terms for disconnection;
7. This plan may not be offered more than once per year; and
8. This plan offered by the Cooperative will state in boldface type the following:

"If you are not satisfied with this agreement or if agreement was made by telephone, and you feel this document does not reflect your understanding of that agreement, contact the Cooperative immediately. If you do not contact the Cooperative, you may

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give up your right to dispute the amount due under the agreement except for the Cooperative's failure or refusal to comply with the terms of this agreement."

**300.11.3.3 FIXED PAYMENT PLAN**

This plan allows a Member to pay a fixed amount per month based on twelve (12) months total billings. A true up and recalculation will be required no more than every twelve (12) months. Upon such true up and recalculation, the Cooperative will either credit or debit from the account as applicable any overpayments or underpayments. The Cooperative will add the amount of any underpayment to the amounts due. The Cooperative will deduct the amount of any overpayment from any amounts owed.

This plan applies to the Residential Service only. Members may enroll anytime with participation beginning with the first bill rendered after enrollment. Either the Member or the Cooperative may cancel the plan upon notification to the other party. Upon cancellation, any accumulated balance of the Member's account will become due and payable, or if a credit will be applied to the Member's account. The Cooperative may decline to offer this plan if, in the Cooperative's judgment, the Member is lacking sufficient credit or satisfactory history to warrant payment plans or if the Member has failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

**300.11.3.4 AVERAGE PAYMENT PLAN**

This plan allows a Member to pay a rolling twelve (12) month average. This plan applies to Residential Service only. Members may enroll in this plan anytime with participation beginning with the first bill rendered after enrollment. Either the Member or the Cooperative may cancel the plan upon notification to the other party. Upon cancellation, any accumulated balance of the Member's account will become due and payable, or if a credit will be applied to the Member's account. The Cooperative may decline to offer this plan if, in the Cooperative's judgment, the Member is lacking sufficient credit or satisfactory history to warrant payment plans or if the Member has failed to provide complete, accurate, and verifiable identification information when requested by the Cooperative.

**300.11.3.5 CREDIT CARD PAYMENT PLAN**

This plan allows Members to authorize the Cooperative to process a monthly payment through their payment card. The amount processed will be for the full balance due each month and will be processed automatically on the bill due date.

**300.11.3.6 BANK DRAFT PAYMENT PLAN**

This plan allows Members to authorize the Cooperative to process a monthly payment by drafting a checking account. The amount drafted will be for the full balance due each month and will be drafted automatically on the bill due date.

**300.11.4 LATE PAYMENT PROCESSING FEES**

Until the Cooperative receives the payment, bills are considered unpaid; a payment is delinquent if not received at the Cooperative by the due date shown on the bill.

Residential accounts not paid by the due date may be assessed a fee to cover the cost of processing late payments. All fee amounts are per Section 500.4, Fee Schedule.

All Non-Residential accounts, other than state agencies or other governmental entities that the Cooperative has approved as being subject to Texas Government Code Chapter 2251, not paid by the due date may be assessed a fee to cover the cost of processing late payments. All fee amounts are per Section 500.4, Fee Schedule.

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Any governmental entity asserting eligibility to receive bills under Texas Government Code Chapter 2251 may file a written notice asserting their eligibility, and the Cooperative will determine whether the entity is subject to that statute. All bills rendered to state agencies or other governmental entities that the Cooperative approves subject to Texas Government Code Chapter 2251, will be in accordance with that statute.

**300.11.5 LOAN LATE FEES**

Payment for a consumer loan to a Member with the Cooperative not paid by the due date may be assessed a late payment fee after ten (10) calendar days of non-payment. All fee amounts are per Section 500.4, Fee Schedule.

**300.11.6 RETURNED CHECK / DENIED BANK DRAFT / DENIED CREDIT CARD**

If a check for payment is returned, the Cooperative will debit a Member's account for the amount on each returned check, plus a returned check fee. If a payment is denied through an account setup for automatic payment bank draft, the Cooperative will debit the Member's account for the denied amount, plus a non-sufficient funds fee. If a payment is denied through an account setup for automatic credit card draft, the Cooperative will not post payment and an alternate form of payment must be arranged by the Member. If the Member pays a delinquent account balance and the check returns to the Cooperative for insufficient funds, the Cooperative will proceed to disconnect the Member's account. All fee amounts are per Section 500.4, Fee Schedule.

**300.11.7 PAYMENT DEADLINE EXTENSION**

Upon request of a Residential Member, and at the Cooperative's discretion, the Cooperative may extend without penalty the payment date until the twenty fifth (25th) calendar day after the bill is issued.

**300.11.8 PAYMENT DEADLINE EXTENSION FOR ELDERLY RESIDENTIAL MEMBERS**

Upon request of a Residential Member sixty (60) years of age or older, the Cooperative will extend without penalty the payment date until the twenty fifth (25th) calendar day after the date the bill is issued. The Cooperative may require the Member requesting the extension to present reasonable proof of age.

**300.11.9 NON-PAYMENT DISCONNECT AND RECONNECT FEE**

A fee will be charged if the Cooperative dispatches a service representative to collect a delinquent bill. This fee will be included in the collection amount. Failure to pay a service representative the full amount owed at the time may result in immediate disconnection of service.

If the Member's service is disconnected, a reconnection will not be made until the account is paid in full and a reconnection fee together with a deposit is paid and when applicable a same day service fee.

Under no circumstances will the Cooperative be liable for losses incurred resulting from the disconnection of service due to a Member's failure to pay for electrical service or any other reason for disconnection required by the Cooperative's policies.

All fee amounts are per Section 500.4, Fee Schedule.

**300.11.10 TRANSFERS OF DELINQUENT BALANCES**

If the Member has an outstanding balance due from another account in the same Member Class, then the Cooperative may transfer that balance to the Member's current account. Notwithstanding the foregoing, if the Member has an outstanding balance due from an account in a different Member

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Class that is a sole proprietorship, then the Cooperative may transfer that balance to the Member's current account, and identify the delinquent balance and specific account as such on the bill.

**300.12 VOLTAGE DESIGNATIONS**

The Cooperative will deliver electric power and energy at one of the Cooperative's standard voltages. Non-standard service may be available if requested but only if the Cooperative determines such service is feasible, and the Applicant agrees to pay any additional cost to the Cooperative for delivering such non-standard service.

The Cooperative adopts the following standard voltages for electric service distribution:

Standard Service	
Single Phase	Three Phase
120 / 240 V	120 / 208 V (wye)
	277 / 480 V (wye)

Non-Standard Service	
Single Phase	Three Phase
*7,200 V	120 / 240 V (delta)*
*14,400 V	480 V (delta)*
	1,328 / 2,300 V (wye)*
	2,300 / 4,160 V (wye)*
	7,200 / 12,470 V (Primary Service)*
	14,400 / 24,900 V (Primary Service)*

Transmission Service	
Single Phase	Three Phase
	69,000 V
	138,000 V

\*These voltages are available at the Cooperative's discretion.

These voltage designations are nominal design voltages. The Cooperative maintains actual normal delivery voltages so far as practicable within variations permitted by industry standards. Members are encouraged to obtain the phase and voltage of the service available from the Cooperative before committing to the purchase of motors or other equipment.

**300.13 MEASUREMENT AND METERING OF SERVICE**

**300.13.1 METERING REQUIREMENTS**

**Use of meter** – Except where otherwise provided by the applicable rate schedule or contract, the Cooperative charges all electricity consumed or demanded by the Member by meter measurements.

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**Installation** – The Cooperative will provide, install, own, and maintain all meters necessary for the measurement of electric energy to its Members.

**Standard type** – All meters will meet industry standards. Special meters used for investigation or experimental purposes are not required to conform to these standards.

**Location of meters** – Meters and service switches in conjunction with the meter will be installed in accordance with the latest revision of American National Standards Institute (“ANSI”), Incorporated, Standard C12 (American National Code for Electricity Metering), and will be readily accessible for reading, testing, and inspection, where such activities will cause minimum interference and inconvenience to the Member.

Member will provide, without cost to the Cooperative, at a suitable and easily accessible location:

1. Sufficient and proper space for installation of meters and other apparatus of the Cooperative;
2. Meter socket;
3. Meter loop;
4. Safety service switches when required; and
5. An adequate anchor for service drops.

Where the meter location on the Member’s premises changes at the request of the Member or due to alterations on the Member’s premises, the Member will provide and have installed at their expense, all wiring and equipment necessary for relocating the meter.

**Accuracy requirements** – The Cooperative will not place in service or leave in service any meter that violates the test calibration limits as set by ANSI. Whenever a meter violates limits on installation, periodic, or other tests, the Cooperative will adjust or exchange it.

The Cooperative adjusts meters, as closely as practicable, to the condition of the limits as set by ANSI.

**300.13.2 METER RECORDS**

The Cooperative will keep the following records:

**Meter equipment record** – The Cooperative will keep a record of all of its meters, showing the Member’s address and date of the last test. For special meters used for investigation or experimental purposes, the record will state the purpose of the investigation or experiment.

**Records of meter tests** – The Cooperative will properly reference all meter tests completed on the meter record. The record of each test completed at the service location will show the identifying number, constants of the meter, standard meter, and measuring devices used. Additionally, records will provide the test date, type of test performed, name of technician, level of accuracy (or percent error) at each load tested, and sufficient data to permit the verification of test results.

**300.13.3 METER READINGS**

Meters are read by the Cooperative on regular monthly intervals.

**300.13.4 METER TESTING**

**Meter tests prior to installation** – The Cooperative will establish the accuracy of every meter prior to its permanent installation. Unless the Cooperative has already tested a meter within the last

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twelve (12) months, the Cooperative will test and adjust any meter removed and/or replaced from service.

Testing of meters in service – Meter test periods for all types of meters will conform to the latest edition of ANSI Standard C12 unless specified otherwise by the Cooperative. The Cooperative, upon the request of a Member, will test the accuracy of the Member's meter. If the Cooperative or an authorized agency tests a meter at the Member's request and the Member request a new test within a period of four (4) years, the Cooperative will charge a meter test fee to the Member. The fee must be paid prior to fulfilling the request. All fee amounts are per Section 500.4, Fee Schedule.

Following the completion of any requested test, the Cooperative will advise the Member of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

**300.13.5 ADJUSTMENTS DUE TO METER ERRORS**

If the Cooperative finds any meter to be out of compliance with the accuracy standards, the Cooperative will render corrected readings and adjust bills for the period of over-billing or under-billing as described herein in Section 300.11, Billing and Payment.

No refund is required from the Cooperative except to the Member last served by the meter prior to the testing.

If a meter is found to not register for any period, the Cooperative will estimate and charge for units used, but not metered for the under-billed period as described herein in Section 300.14.1.1, Under-Billing. The Cooperative estimates charges based on amounts used under similar conditions during the period preceding or subsequent to the period the meter was found not to register, or during corresponding periods in previous years.

**300.13.6 ADVANCE METERING OPT OUT PROGRAM**

This program only applies to residential accounts (excluding residential accounts with interconnection agreements or proprietor accounts). A Member may request to opt out from use of the Cooperative's advanced meter at a service location. The Cooperative may grant such request subject to certain qualifications and conditions.

**300.13.6.1 METER EXCHANGE FEE**

The Cooperative will charge a fee for any meter exchange at any service location already equipped with an advanced meter. Any Member participating in this program for new service locations will be required to pay the Cooperative's establishment fee. All fee amounts are per Section 500.4, Fee Schedule.

**300.13.6.1.1 METER READINGS AND METER READING FEE**

Members may qualify for a monthly or quarterly reading schedule. For Members on a monthly reading schedule, monthly fees will apply and the Cooperative will use the Member's energy consumption history to estimate the monthly bill calculation. The Cooperative will adjust any under-billing or over-billing resulting from the quarterly meter readings after the Cooperative acquires a new meter read.

A Member participating on a monthly reading schedule may request a quarterly reading schedule if the Member has:

1. Paid all bills for service during twelve (12) consecutive months;
2. Not been disconnected for nonpayment;
3. Not had a delinquent payment more than once; and

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4. Not had a check returned more than once.

For Members on a quarterly reading schedule, monthly fees will apply and the Cooperative will use the Member's energy consumption history to estimate the monthly bill calculation. The Cooperative will adjust any under-billing or over-billing resulting from the quarterly meter readings after the Cooperative acquires a new meter read.

The Cooperative will charge a fee to each Member participating in this program each month for non-standard manual meter readings by the Cooperative and for processing of such readings for each service location. An additional per mile charge will apply for service locations further than thirty (30) miles from nearest area office. All fee amounts are per Section 500.4, Fee Schedule.

**300.13.7 METER TAMPERING; THEFT OF ELECTRIC SERVICE**

Meter tampering is a criminal offense. Meter tampering includes but is not limited to: bypassing the meter or other instances of diversion, such as physically disorienting the meter; attaching objects to the meter to divert or bypass service; inserting objects into the meter; and other electrical and mechanical means of tampering with, bypassing, or diverting electrical service.

The Cooperative will charge a fee plus all applicable charges for the estimated energy consumption where meter tampering occurred. All fee amounts are per Section 500.4, Fee Schedule.

Furthermore, the Cooperative may choose to file criminal charges against any Person, including any of its Members, when there is evidence of the following:

1. Interference with and/or tampering with any of the Cooperative's equipment, including, without limitation, one (1) or more of its meters (Section 28.03 of the Penal Code of the State of Texas) or any other circumstance listed in this Tariff; and/or
2. Theft of electric service (Section 31.04 of the Penal Code of the State of Texas).

The Cooperative may charge the Member for all labor, material, and equipment necessary to repair or replace all equipment damaged due to meter tampering or bypassing or other service diversion, and other costs necessary to correct service diversion where there is no equipment damage, including incidents where service is reconnected without authority. The Cooperative must provide an itemized bill to the Member of such charges. The Cooperative may also estimate and bill the Member for electric service over the entire period of meter tampering and all labor cost associated with rectifying the offense.

**300.13.8 METER TEST FEE**

Upon request, once every four (4) years, a Member may receive a meter test at no charge. If a Member asks for an additional meter test and the meter is found to be in compliance with ANSI standards, a fee will be incurred. If the meter is found to be out of compliance with the applicable ANSI standard, the Cooperative will not charge a fee to the Member. All fee amounts are per Section 500.4, Fee Schedule.

**300.14 DISPUTE RESOLUTION**

In the event of disputes between a Member and the Cooperative regarding any bill for electric service, the Cooperative will investigate the circumstances and report the results to the Member. If the dispute remains, the Member may meet with a Cooperative representative to resolve it. If unresolved, the Cooperative will advise the Member of the Member complaint procedures of the Cooperative. If the Member files a complaint with the Cooperative, the Cooperative will not disconnect a Member's service for nonpayment of the disputed portion of the bill before the Cooperative completes its supervisory

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review and informs the Member of its determination. Members are obligated to pay billings that are not disputed and not under review.

**300.14.1 BILLING DISCREPANCIES OR ADJUSTMENTS**

If a Member is billed for charges erroneously per the Tariff or if the Cooperative fails to bill a Member for services, then the Cooperative will calculate, adjust, and apply all applicable charges in the manner described herein.

**300.14.1.1 UNDER-BILLING**

If the Member's account is under-billed, the Cooperative may back bill the Member for the amount that was under-billed no more than 6 months from the date the error discovered unless the under-billing is a result of theft of service by the Member.

An installment plan may be available for any periods of under-billing except for such periods resulting from meter tampering, bypass, diversion, or other similar circumstance.

**300.14.1.2 OVER-BILLING**

If the Member's account is over-billed, the Cooperative will adjust the Member's bill accordingly for the entire over-billed period.

**300.14.2 POWER FACTOR ADJUSTMENT**

The Cooperative may adjust Capacity Demand Charges or Peak Demand Charges if the power factor is lower than ninety seven percent (97%). Measured capacity (kW) may be increased by one percent (1%) for each one percent (1%) by which the power factor is less than ninety seven percent (97%) lagging for a period of fifteen (15) consecutive minutes.

**300.14.3 REFUNDS**

Upon closure of an account, the Cooperative will issue the Member a refund check for credit balances of five dollars (\$5.00) or more. The Cooperative only issues refunds on credit balances of less than five dollars (\$5.00) upon verbal request by the account holder. The Cooperative will transfer any amounts not refunded in accordance with the Unclaimed Property Policy of the Cooperative.

**300.14.4 MEMBER COMPLAINTS**

The Cooperative has established procedures to address all complaints from Members. A Member or Applicant may file a complaint in person, by letter, on the website, or by telephone with the Cooperative.

If an employee of the Cooperative cannot immediately resolve a complaint, the employee will forward the information collected to a supervisor or manager. The employee's supervisor or manager will review the complaint and related information, and he or she will advise the complainant of the results within five (5) Business Days of the complaint. The Cooperative will investigate the Member complaint and will report the results to the complainant. If dissatisfied, the complainant may file a written complaint with either the Cooperative's Chief Executive Officer or designee of the Chief Executive Officer. Under their direction, a three (3) Member management team will review the complaint. The Cooperative will advise the complainant of the results within ten (10) Business Days of the written complaint.

The Cooperative will not disconnect service before completion of the review. If the Member chooses not to participate in a review, the Cooperative may disconnect service provided it issues proper notice under the corresponding disconnect procedures.

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**400 LINE EXTENSION POLICY**

**400.1 OVERVIEW**

The Cooperative will extend electric service to an Applicant in accordance with the following line extension provisions. Each provision in this Tariff classifies the predominant type of electric service or use anticipated on the Applicant's premises and specifies conditions under which a line extension may be made. For each location where electric service is desired, the Applicant's classification for electric service will be determined by the Cooperative.

Electric service will not be provided and no work to extend electric service will be performed until the Applicant has met all requirements within this Tariff for extension of service including, without limitation, routing, underground service requirements, if applicable, and paid any and all fees or charges associated with the provision of electric service. This may include, but is not limited to, membership fees, establishment fees, deposits, system impact fees, CIAC, and/or planning design fees.

If facilities must be constructed, the Cooperative will provide an estimated completion date and a Cost Calculation or Development Cost Calculation for all charges to extend electric service. The requests for new electric service requiring construction should be completed within ninety (90) calendar days of fulfilling all applicable requirements, unless delayed by a cause beyond the reasonable control of the Cooperative, or unless a different time period is agreed to by the Applicant and the Cooperative.

The Applicant must comply with all requirements in Section 300.9.1, Conditions of Service. All applicable provisions of the Tariff, and standards and specifications of the Cooperative for construction, to receive electric service.

The Line Extension Policy provisions are subject to change by the Board of Directors.

**400.2 RESIDENTIAL SERVICE**

**APPLICABILITY**

To qualify for an extension under this section, the Applicant and the location where the Applicant is requesting electric service must comply with the following provisions:

1. The location must be an Individual Private Dwelling, Multi-Family Dwelling, personal recreational vehicle, hunting cabin, barn, shop, water well, gate opener, Member-owned lighting system, or other residential installations.
2. If the Applicant is developing a residential subdivision or mixed-use development with Individual Private Dwelling(s) or Multi-Family Dwelling(s), the Applicant must comply with all requirements under Section 400.3, Residential Developments, and have paid the CIAC required under that section.

All other applicable provisions of this Policy apply to an extension of service under this section.

**CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Cost Calculation to the Point of Delivery based on its then current unit material and labor costs, and in accordance with the Cooperative's current standards and specifications.

The Applicant will be required to pay all costs per meter that qualifies under this section for the cost to extend electric service to the Point of Delivery as a CIAC prior to construction. The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service.

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The Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Cost Calculation will be at the sole expense of the Applicant.

**400.3 RESIDENTIAL DEVELOPMENTS**

**APPLICABILITY**

To qualify for an extension pursuant to this section, the Applicant and the residential development for which the Applicant is requesting electric service must comply with the following provisions:

1. The development is platted and recorded in the appropriate county with sites or lots for multiple prospective Applicants to be primarily used or developed for permanent Individual Private Dwelling(s) or Multi-Family Dwelling(s) or a preliminary plat plan approved by a municipality or county or other authority having jurisdiction for the purposes of sale, transfer, or residential development;
2. The development has been approved by all relevant governing agencies; and
3. The Applicant will provide at no cost to the Cooperative:
  - a. Easements granted on the Cooperative's standard form; for the Cooperative's construction, installation, maintenance, operation, replacement and/or repair of Cooperative Facilities in a form satisfactory to the Cooperative;
  - b. Site plans (streets, wet utilities, mechanical, electrical, plumbing, and landscaping plans, etc.) and notice of construction start dates and construction schedules that are reasonable and industry standard for the type of work to be performed;
  - c. Survey points for grades, lot corners, street right-of-way, and other locations reasonably necessary for installation of the electric system; and
  - d. An "Approved-for-Construction" Plan by a municipality or county or other authority having jurisdiction.
4. The Cooperative is not and will not be obligated to provide designs or Development Cost Calculations to an Applicant for a preliminary plan that has not been reviewed and approved by the applicable authority.

All other applicable provisions of this Policy apply to an extension of service under this section.

**CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Development Cost Calculation for the electric facilities adequate to serve all prospective Individual Private Dwelling(s) or Multi-Family Dwelling(s) in the residential development. The Cooperative will determine the Development Cost Calculation based on its then current unit material and labor costs and in accordance with the Cooperative's then current standards and specifications.

The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service. The Applicant will bear the cost of the facilities, identified in this section, required for the electric distribution system within the residential subdivision or development as determined in the Development Cost Calculation and will pay such costs in advance of construction.

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The Development Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Development Cost Calculation will be at the sole expense of the Applicant.

To the extent that an individual Applicant requests electric service within a residential subdivision, such Applicant must request electric service pursuant to the requirements of Section 400.2, Residential Service, and will be responsible for any CIAC and any system impact fees required by the provision of such electric service.

To the extent that any commercial facilities associated with a residential development are required, an Applicant must request electric service pursuant to the requirements of Section 400.4, Non-Residential Service, for those commercial facilities and will be responsible for any CIAC and any system impact fees required by the provision of such electric service.

The Cooperative will install all Cooperative Facilities required within the limits of the residential subdivision or development based on its necessary load requirements on its schedule but prior to the provision of electric service to any individual Applicants.

**400.4 NON-RESIDENTIAL SERVICE**

**APPLICABILITY**

To qualify as an extension under this section, the Applicant and the location where an Applicant is requesting electric service must comply with the following provisions:

1. The location must be a commercial or industrial installation not classified under Section 400.2, Residential Service, or 400.3, Residential Developments.
2. If the Applicant is developing a non-residential development or mixed-use development, the Applicant must comply with all requirements under Section 400.5, Non-Residential Developments, and have paid the CIAC required under that section.

All other applicable provisions of this Policy apply to an extension of service under this section.

**CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Cost Calculation to the Point of Delivery based on its then current unit material and labor costs and in accordance with the Cooperative's then current standards and specifications.

The Applicant will be required to pay all costs per meter that qualifies under this section for the cost to extend electric service to the Point of Delivery as a CIAC prior to construction. The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service.

The Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Cost Calculation will be at the sole expense of the Applicant.

The Cooperative will exercise prudent judgement in determining the conditions under which a specific line extension will be made for an Applicant with a load greater than one thousand (1,000) kW. This may include, but is not limited to, CIAC, contract minimums, service specifications, and/or other contract terms, arrangements, or conditions deemed reasonable by the Cooperative.

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**400.5 NON-RESIDENTIAL DEVELOPMENTS**

**APPLICABILITY**

To qualify for an extension pursuant to this section, the Applicant and the non-residential development for which the Applicant is requesting electric service must comply with the following provisions:

1. The development is platted and recorded in the appropriate county with sites or lots for multiple prospective Applicants to be primarily used or developed for permanent commercial, industrial, retail, and/or office use or a preliminary plat plan approved by a municipality or county or other authority having jurisdiction for the purposes of sale, transfer, or non-residential development;
2. The development has been approved by all relevant governing agencies; and
3. The Applicant will provide at no cost to the Cooperative:
  - a. Easements granted on the Cooperative's standard form; for the Cooperative's construction, installation, maintenance, operation, replacement and/or repair of Cooperative Facilities in a form satisfactory to the Cooperative;
  - b. Site plans (streets, wet utilities, mechanical, electrical, plumbing, and landscaping plans, etc.) and notice of construction start dates and construction schedules that are reasonable and industry standard for the type of work to be performed;
  - c. Survey points for grades, lot corners, street right-of-way, and other locations reasonably necessary for installation of the electric system; and
  - d. An "Approved-for-Construction Plan" from a municipality or county or other authority having jurisdiction.
4. The Cooperative is and will be not obligated to provide designs or Development Cost Calculations to an Applicant for a preliminary plan that has not been reviewed and approved by the applicable authority.

All other applicable provisions of this Policy apply to an extension of service under this section.

**CONTRIBUTION IN AID OF CONSTRUCTION BY APPLICANT**

The Cooperative will determine the Development Cost Calculation to serve all prospective units in the non-residential development. The Cooperative will determine the Development Cost Calculation based on its then current unit material and labor costs and in accordance with the Cooperative's then current standards and specifications.

The electric facilities may include, but are not limited to, all applicable primary and secondary infrastructure including, without limitation, primary conductors, transformers, poles, risers, appurtenances, terminations, and any other electric equipment and devices required for electric service.

The Applicant will bear the cost of the electric facilities, identified in this section, required for the electric distribution system within the non-residential development as calculated in the Development Cost Calculation and will pay such costs in advance of construction.

The Development Cost Calculation may expire or be re-calculated at the sole discretion of the Cooperative. Any additional cost incurred by the Cooperative in excess of the Development Cost Calculation will be at the sole expense of the Applicant.

To the extent that an individual Applicant requests electric service within a non-residential development, such Applicant must request electric service pursuant to the requirements of Section 400.4, Non-

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Residential Service, and will be responsible for any CIAC and any system impact fees required by the provision of such electric service.

The Cooperative will install all Cooperative Facilities required within the limits of the non-residential development based on its necessary load requirements on its schedule but prior to the provision of electric service to any individual Applicants.

**400.6 PRIMARY LEVEL SERVICE**

**APPLICABILITY**

To receive Primary Level Service, the following requirements must be met and agreed to:

1. The Applicant must execute an agreement, per Section 700.7, Primary Level Service Agreement, with the Cooperative;
2. The Applicant must procure, at the sole expense of the Applicant, all facilities and equipment, including but not limited to transformers, poles, and conductors required to take electric service at primary level voltage as required by Cooperative's design specifications;
3. The Applicant must assume all responsibility for furnishing, installing, constructing, owning, maintaining, and operating all Member-owned facilities beyond the Point of Delivery;
4. The costs for any upgrade, addition, or change in configuration to existing Member-owned or Cooperative Facilities will be at the sole expense of the Applicant;
5. All Member-owned facilities must be tagged and identified;
6. The Applicant must agree to submit an as-built facilities sheet to the Cooperative within thirty (30) days of completed construction;
7. The Applicant must agree to submit any new load and/or facilities additions to the Cooperative to assess existing facilities capacity and conduct any engineering studies required to serve the new load; and
8. All Member-owned installations will be in accordance with the National Electric Safety Code (NESC) and NEC standards.

The Cooperative reserves the right to deny Primary Level Service to a Member or Applicant if the Cooperative determines such service may have an adverse impact on the Cooperative's Delivery System or service provided to another Member.

**POINT OF DELIVERY**

The Point of Delivery will be at the primary meter on an overhead primary pole or an underground metering enclosure.

**400.7 UNDERGROUND SERVICE**

The following provisions for the extension of underground electric service are in addition to the standard provisions established in the prior sections.

**UNDERGROUND FACILITIES FOR SERVICES – RESIDENTIAL OR NON-RESIDENTIAL**

Underground electric primary and secondary lines to serve any Applicant may, by agreement with the Cooperative, be provided subject to the other requirements in this Policy.

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In addition, when receiving underground electric service, an Applicant will be responsible for providing and installing all trenches and backfill, sectionalized cabinets, concrete work associated with pad-mounted facilities, secondary services as determined by the Cooperative, all conduit, and any and all other facilities deemed necessary by the Cooperative.

In all cases, any underground secondary service lines from a meter to the Applicant's main disconnect switch or service center will be installed and maintained by the Applicant, and the Cooperative will have no responsibility or liability in connection therewith.

**UNDERGROUND FACILITIES FOR DEVELOPMENTS – RESIDENTIAL OR NON-RESIDENTIAL**

Where an Applicant requests the construction of underground electric facilities within a platted residential subdivision or non-residential development, the Applicant will bear the cost of the underground electric system adequate to serve all prospective units in the subdivision or development as determined by the Cooperative. The Applicant will be responsible for providing and installing all trenches and backfill, sectionalized cabinets, concrete work associated with pad-mounted facilities, all conduit, and any and all other facilities deemed necessary by the Cooperative, adequate to serve all prospective units in the subdivision or development and all other prospective members who may require electric service from said underground system.

**400.8 STANDARD DELIVERY SERVICE AND FACILITIES**

The Cooperative's standard delivery system facilities consist of the overhead or underground distribution facilities necessary to provide electric service through a single-phase or three-phase source to the Point of Delivery, at one of the Cooperative's available standard voltages.

The Cooperative standard delivery system permits 7.2/12.47 kV (12.5 kV) and 14.4/24.9 kV (25 kV), three-phase or single-phase, grounded-neutral Primary Level Service on its electric distribution system and secondary service is provided through transformers connected in a wye-wye configuration.

All Standard Delivery System Line Extension requests and associated costs will be in accordance with this Policy.

**400.9 NON-STANDARD DELIVERY SERVICE AND FACILITIES**

Non-standard delivery service and facilities include, but are not limited to, facilities necessary to provide service at a non-standard voltage, dual feed, automatic and manual transfer switches, service through more than one Point of Delivery, redundant facilities, non-standard metering and facilities in excess of those normally required for service under the Cooperative's standard delivery service and facilities. The Cooperative will determine what equipment is classified as non-standard and include this information on the Cost Calculation or the Development Cost Calculation.

Applicants requesting non-standard facilities will be responsible for all costs associated with the engineering, installation, maintenance, and material costs required to provide and maintain these non-standard facilities. An Applicant or Member may request non-standard equipment be removed. All costs for removal, and any other costs to make the system qualify for under standard delivery service, will be the sole responsibility of the Member or Applicant in advance.

All non-standard facilities will be operated by the Cooperative. Neither a Member nor an Applicant may perform service or maintenance to equipment located on the Cooperative's Delivery System.

The Cooperative reserves the right to convert or deny non-standard facilities installations if the Cooperative determines that such service may have an adverse impact on the Cooperative's Delivery System or service provided to another Member.

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**400.10 ROUTING**

In all cases, the line extension will be constructed within private easements granted on the Cooperative's standard form; at the sole discretion of the Cooperative, the Cooperative may construct line extensions within public utility easements, or public right-of-way or other agreements. The line extension will be constructed along a route that is reasonably accessible during all weather conditions as determined by the Cooperative. Cooperative Facilities will not be installed along the backs of lots or in areas deemed inaccessible or hazardous by the Cooperative.

The Applicant will be responsible for the clearing of any and all private easements or public utility easements required for the construction of the line extension on its property and removing of such obstructions as interfere with the efficiency of the electric system. All clearing will be performed to the Cooperative's specifications. The Cooperative may clear private easements or public utility easements or public right-of-way in certain instances. If the Cooperative or its agent clears private easements or public utility easements or a public right-of-way the cost will be included in the Cost Calculation or Development Cost Calculation.

**400.11 AREA LIGHTING**

In underground installations, the Applicant requesting area lighting under Section 500.3.6.1, Unmetered Lighting Device Service, will be responsible for providing and installing all lighting infrastructure, including but not limited to trench and associated backfill, lighting post, concrete work, secondary service conductors, and conduit.

In overhead installations, the Cooperative will provide secondary service conductor to serve overhead area lighting fixtures owned by the Cooperative under Section 500.3.6.1, Unmetered Lighting Device Service, without charge to the Applicant.

In either type of installation, for any additional Cooperative Facilities needed for area lighting, the Applicant will be required to pay any costs as a CIAC prior to construction.

**400.12 UNMETERED NON-RESIDENTIAL SERVICE**

The Cooperative at its sole discretion will determine if an Applicant may be served under this section.

In underground installations, the Applicant requesting facilities to provide electric service to unmetered non-residential installations, as determined by the Cooperative, will be responsible for providing and installing all trenches and backfill, sectionalized cabinets, concrete work associated with pad-mounted facilities, secondary services as determined by the Cooperative, all conduit, and any and all other facilities deemed necessary by the Cooperative.

In overhead installations, the Cooperative will provide secondary service conductor for the unmetered non-residential installation, and the Applicant will be responsible for providing and installing all other infrastructure.

In either type of installation, for any additional Cooperative Facilities needed for unmetered non-residential, the Applicant will be required to pay any costs as a CIAC prior to construction.

**400.13 NON-PERMANENT SERVICE**

In any circumstance where the need for electric service is not permanent, the Applicant will pay one hundred percent (100%) of the cost of installation and removal of all necessary electric service facilities and equipment before any construction begins.

**400.14 SERVICE UPGRADES TO EXISTING COOPERATIVE FACILITIES**

The cost for any upgrade, addition, or change in configuration of existing Cooperative Facilities will be at the sole expense of the Applicant. Service upgrades to existing Cooperative Facilities include, but

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are not limited to, any upgrades related to interconnecting a Member's Distributed Generation resource that operates in parallel to the Cooperative's Delivery System.

**400.15 SYSTEM IMPACT FEE**

A non-refundable charge will be collected for extending electric service to a new service location. This amount represents a contribution to the Cooperative's system cost associated with substation and electric distribution backbone facilities and is in addition to any amount due for the line extension. All fee amounts are per Section 500.4, Fee Schedule.

**400.16 PLANNING REDESIGN FEES**

An Applicant's Line Extension Cost Calculation or Development Cost Calculation includes delivery of one (1) design and project cost quotation to the Applicant. Thereafter, if the Applicant desires to make changes to the design, that requires a redesign, the Cooperative may charge the Applicant in advance for the redesign, including, but not limited to, labor and applicable overhead for design, engineering, staking, inspections, administrative, and other incurred related expenses. All fee amounts are per Section 500.4, Fee Schedule.

**400.17 AFTER-HOURS SERVICE**

If an Applicant requests after-hours service, the Applicant will pay the additional cost incurred by the Cooperative to provide after-hours service to the Applicant.

**400.18 MISCELLANEOUS TRIP FEE**

A non-refundable Miscellaneous Trip Fee may be collected for additional trips to the Applicant's property at the request of Applicant. All fee amounts are per Section 500.4, Fee Schedule.

**400.19 NO REFUND OF CONTRIBUTION IN AID OF CONSTRUCTION**

Payments necessary for construction of facilities, which will be used to deliver electric service to the Applicant, are CIAC and are not refundable after construction.

**400.20 DE-ENERGIZATION AND LINE CLEARANCES**

The Cooperative, in its sole discretion, may temporarily de-energize Cooperative Facilities or temporarily relocate or raise Cooperative Facilities at the request of an Applicant to assist in the transportation of oversized objects through the Cooperative's service territory or in the construction of pipelines or other objects within or otherwise affecting the Cooperative's right-of-way provided that the Applicant pays for all costs incurred by the Cooperative.

Costs incurred may include labor and materials, engineering design, right of way acquisition and clearing to the extent necessary, and vehicles or equipment used, including mileage, if applicable.

**400.21 OWNERSHIP OF COOPERATIVE FACILITIES**

The Cooperative will accept ownership of any facilities installed by the Applicant at the time the service location is successfully energized. The Cooperative will retain the ownership of all material and facilities installed by the Cooperative or Applicant for the distribution of electric service whether the same have been paid for by the Applicant except for those facilities installed by the Applicant past the Point of Delivery.

**400.22 REMOVAL AND/OR RELOCATION OF COOPERATIVE FACILITIES**

At the Cooperative's sole discretion, the Cooperative may remove existing Cooperative Facilities on Applicant's premises at the Applicant's request provided that the Applicant has paid in advance for the cost of the removal of the existing Cooperative Facilities.

The Cooperative will relocate its existing Cooperative Facilities on Applicant's premises at the Applicant's request provided the Applicant has:

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1. Provided an easement satisfactory to the Cooperative for the new facilities, and
2. Paid in advance for the cost of the removal of the existing Cooperative Facilities plus the cost for the construction of the new facilities.

Upon request by an Applicant, the Cooperative will replace an existing overhead electric line with an underground line provided that the Cooperative has:

1. Determined in its sole discretion that such replacement does not adversely impact electric service reliability or the Cooperative's operating efficiencies;
2. Received an easement(s), in a form satisfactory to the Cooperative, for the construction, installation, maintenance, operation, replacement and/or repair of the underground Cooperative Facilities, at no cost to the Cooperative; and
3. Received payment in advance for all costs of removal of the existing Cooperative Facilities and the full amount of the Cooperative's cost for the construction and installation of the new underground facilities.

If the Cooperative determines it is necessary to relocate existing Cooperative Facilities because a Member or any other Person fails or refuses to allow the Cooperative access to Cooperative Facilities at any time, then the Member or any other party responsible may be billed the cost of such relocation and associated expenses.

If the Cooperative determines that a safety or standard violation exists on a Member or any other Person's premises directly or indirectly caused by such Person, then the Cooperative, at the expense of such Person, will relocate Cooperative Facilities on such premises. The Member or appropriate Person will be financially responsible for the relocation or removal of Cooperative Facilities by the Cooperative and all other associated costs incurred to address the safety or standards violation.

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**500 RATES**

**500.1 MEMBER CHARGES, CREDITS AND ADJUSTMENTS**

**500.1.1 SERVICE AVAILABILITY CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost associated with providing services to the membership including billing, metering, collections, customer service, and other enterprise costs.

**RATE**

This charge, per meter, will be applicable according to the Member's rate schedule.

**500.1.2 EBILLING BILLING CREDIT**

**APPLICABILITY**

This credit will be applicable to Residential, Farm and Ranch Service Members that choose to receive a paperless bill.

**PURPOSE**

This credit reimburses a Member for the cost not incurred to the Cooperative involved in mailing a paper bill each month.

**RATE**

This credit is:

– \$ 1.00 per meter

**500.1.3 EDRAFT BILLING CREDIT**

**APPLICABILITY**

This credit will be applicable to Residential, Farm and Ranch Service Members that choose to pay as per Section 300.11.3.6, Bank Draft Payment Plan.

**PURPOSE**

This credit reimburses a Member for the cost not incurred to the Cooperative involved in processing a payment each month.

**RATE**

This credit is:

– \$ 1.50 per meter

**500.1.4 DELIVERY CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the distribution infrastructure and other related costs.

**RATE**

This charge, per kWh, will be applicable according to the Member's rate schedule.

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**500.1.5 CAPACITY DEMAND CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the distribution infrastructure and other related costs.

**RATE**

This charge, per maximum demand of power consumed, measured as the maximum demand during a fifteen (15) minute interval within the billing period, will be applicable according to the Member's rate schedule.

**500.1.6 PEAK DEMAND CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the distribution infrastructure and other related costs.

**RATE**

This charge, per kW, will be determined using the Peak Demand, measured on an hourly interval basis during the Time of Use Non-Summer Peak and in the Summer Peak and Summer Super Peak time periods, according to the Member's rate schedule.

**500.1.7 BASE POWER CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge will be used to recover the Cooperative's actual cost of power purchased for the membership and other costs incurred in connection with the development and management of the Cooperative's power supply. Members may have the option to choose from either Flat Base Power Charge or Time-of-Use (TOU) Base Power Charge as defined below.

**RATE**

This charge, per kWh, will be applicable according to the Base Power Rate option selected by the Member and the Member's rate schedule.

The charge is calculated using the following formula:

$$(A + B) / \text{kWhs}$$

A = Total estimated budgeted cost budgeted cost of power purchased for the membership and other costs incurred in connection with the development and management of the Cooperative's power for the period. (excluding power cost for Industrial Power Service, Transmission Level Service, and the Community Solar Base Power Charge)

B = Total actual adjustments needed to account for over or under recovery of actual cost of power purchased for the previous period.

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kWhs = Total estimated energy sales for the period (excluding kWhs -for the Industrial Power Service, Transmission Level Service, and the Community Solar Base Power Charge)

The options are as follows.

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**500.1.7.1 FLAT BASE POWER CHARGE**

**APPLICABILITY**

This charge option may be applicable to all rate schedules and programs except for Transmission Level Service, and Industrial Power Service. The Flat Base Power Charge will be used for billing on Member accounts that do not choose the TOU Base Power Charge.

**PURPOSE**

This option allows Members to have the same cost of power regardless of the season or time of day during which the energy is consumed.

**RATE**

The charge is:

\$ ~~0.044500-058500~~ per kWh

**500.1.7.2 TIME-OF-USE BASE POWER CHARGE**

**APPLICABILITY**

This charge may be applicable to all rates schedules and programs except Unmetered Device Service, Interconnect Rate, Transmission Level Service, and Industrial Power Service.

**PURPOSE**

This charge option allows Member's cost of power to vary based on the time of day and season during which energy is consumed.

**CONDITIONS**

This charge option requires a twelve (12) month commitment. If a Member opts-out of the TOU Base Power Charge option prior to fulfilling the twelve (12) month commitment, the charge option will not be available to the Member for the following twelve (12) months.

**RATE**

The charges are:

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Season	Time-of-Use-Period		Charge per kWh
Non-Summer (Jan.—May and Oct.—Dec.)	Super-Economy	2:01 am — 4:00 am	\$ 0.030616
	Economy	11:01 pm — 2:00 am	\$ 0.037529
		4:01 am — 5:00 am	\$ 0.037529
	Normal	8:01 am — 4:00 pm 7:01 pm — 11:00 pm	\$ 0.042449
Summer (Jun.—Sep.)	Peak	5:01 am — 8:00 am 4:01 pm — 7:00 pm	\$ 0.045680
	Super-Economy	3:01 am — 5:00 am	\$ 0.030398
	Economy	11:01 pm — 3:00 am	\$ 0.031940
5:01 am — 7:00 am		\$ 0.031940	
Normal	7:01 am — 12:00 pm	\$ 0.035883	
	8:01 pm — 11:00 pm	\$ 0.035883	

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	<b>Peak</b>	12:01 pm – 2:00 pm 6:01 pm – 8:00 pm	\$ 0.046863
	<b>Super Peak</b>	2:01 pm – 6:00 pm	\$ 0.088620

<u>Season</u>	<u>Time of Use Period</u>	<u>Charge per kWh</u>	
<u>Non-Summer (Jan. – May and Oct. – Dec.)</u>	<u>Super Economy</u>	2:01 am – 4:00 am	\$ 0.040910
	<u>Economy</u>	11:01 pm – 2:00 am 4:01 am – 5:00 am	\$ 0.050270
	<u>Normal</u>	8:01 am – 4:00 pm 7:01 pm – 11:00 pm	\$ 0.055120
	<u>Peak</u>	5:01 am – 8:00 am 4:01 pm – 7:00 pm	\$ 0.061710
<u>Summer (Jun. – Sep.)</u>	<u>Super Economy</u>	3:01 am – 5:00 am	\$ 0.039440
	<u>Economy</u>	11:01 pm – 3:00 am 5:01 am – 7:00 am	\$ 0.041440
	<u>Normal</u>	7:01 am – 12:00 pm 8:01 pm – 11:00 pm	\$ 0.045910
	<u>Peak</u>	12:01 pm – 2:00 pm 6:01 pm – 8:00 pm	\$ 0.059100
	<u>Super Peak</u>	2:01 pm – 6:00 pm	\$ 0.119310

**500.1.8 TRANSMISSION COST OF SERVICE (TCOS) PASS THROUGH CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**PURPOSE**

This charge recovers the cost incurred to receive access to transmission service in the ERCOT region of Texas as established by the Commission.

**RATE**

This charge, per kWh or kW, will be applicable according to the Member's rate schedule. The options are as follows.

**500.1.8.1 TRANSMISSION COST OF SERVICE (TCOS) PASS THROUGH CHARGE, PER KWH**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

**RATE**

The charge will be applicable based on energy, per kWh, according to the Member's rate schedule. The charge will recover the actual cost as established by the Commission.

The charge will be updated each June 1<sup>st</sup> and October 1<sup>st</sup> to align with forecasted costs.

**500.1.8.2 TRANSMISSION COST OF SERVICE (TCOS) PASS THROUGH CHARGE, PER KW**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

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**RATE**

This charge, per kW, will be determined by multiplying a member's demand measured during the Four Coincident Peak (4CP) intervals times the monthly charge. If the Member's demand is negative, the Member may receive a credit.

The charge will recover the actual cost as established by the Commission.

Until such time as the Member's 4CP demand is established, the TCOS Pass Through Charge will be as per Section 500.1.8.1, Transmission Cost of Service (TCOS) Pass Through Charge, per KWh.

**500.1.9 COMMUNITY SOLAR TRANSMISSION COST ADJUSTMENT (STCA)**

**APPLICABILITY**

This adjustment applies to all Members enrolled in the Community Solar Rate.

**PURPOSE**

This adjustment will be used to credit a Member's account with a portion of the savings from the avoided TCOS charges attributable to community solar generation.

**RATE**

The adjustment, per kWh, will be determined as follows:

For all kWh sold to any Members enrolled in the Community Solar Rate, the solar transmission cost adjustment (STCA) will be calculated as follows:

$$\text{STCA} = - (80\% \times \text{TCOS Pass Through Charge})$$

**500.1.10 PRIMARY SERVICE ADJUSTMENT (PSA)**

**APPLICABILITY**

This adjustment may be applicable to all rate schedules corresponding to a Member receiving Primary Level Service. A Member receiving Primary Level Service must procure, install, and maintain all facilities and equipment beyond the Point of Delivery at their expense and in accordance with NESC and NEC standards.

**PURPOSE**

This adjustment will be used to credit a Member receiving electric power and energy at Primary Service Level.

**RATE**

This adjustment will be based on the total amount due for the applicable charges incurred for the month. Applicable charges, according to the Member's rate schedule, are the Delivery, Capacity Demand, Peak Demand, Base Power, and TCOS Pass Through Charges. The adjustment will not apply to any other charges, fees, credits, or adjustments. The adjustment will be determined as follows:

$$\text{PSA} = - (\text{Monthly sum of applicable charges}) \times 2\%$$

**500.1.11 RENEWABLE ENERGY RIDER CHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

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**PURPOSE**

This charge provides Member's the ability to purchase electricity generated by renewable energy sources.

**RATE**

The charge is:

\$ 0.000430 per kWh

The pricing is based on the Texas Renewable Energy Credits Index and will be changed periodically to reflect current index pricing.

**500.1.12 SUSTAINABLE POWER CREDIT**

**APPLICABILITY**

This credit applies to all Members enrolled in the Interconnect Rate.

**PURPOSE**

This credit will be used to compensate a Member for Received Energy.

**RATE**

The credit per kWh of Received Energy is:

- \$0.060005

**500.1.13 WHOLESALE ENERGY CREDIT**

**APPLICABILITY**

This credit applies to all Members enrolled in the Interconnect Wholesale Energy Rate.

**PURPOSE**

This credit will be used to compensate a Member for Received Energy from an Interconnection fifty (50) kW AC or greater.

**RATE**

The credit, per kWh, will be determined as follows:

Wholesale Energy Credit = (Received Energy x Real Time Settlement Point Price at corresponding Load Zone)

**500.1.14 FRANCHISE FEE**

**APPLICABILITY**

This charge may be applicable to all Members served by the Cooperative inside a municipality's corporate boundary. All franchise fees not included in base rates will be separately assessed for Member service provided within the municipality where the franchise fee is authorized. The portion of the franchise fee not included in base rates will appear on the bill as a separate line item.

**RATE**

This charge will be calculated by multiplying the franchise fee percentage assessed by the municipality times the charges for energy and power sold and such other authorized charges to a Member (excluding any taxes and other authorized exclusions). Applicable sales tax may be assessed on franchise fee amounts.

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**500.1.15 SALES TAX**

**APPLICABILITY**

This charge may be applicable to the Member in addition to the applicable Rates. Members claiming exemption from sales taxes should provide a sales tax-exemption form, acceptable to the Cooperative.

**500.1.16 COOPERATIVE OWNED LAMP CHARGE**

**APPLICABILITY**

This charge may be applicable to Cooperative owned outdoor lighting assets where the existing facilities, owned by either the Cooperative or the Member, are suitable for the installation of lighting. Cooperative owned outdoor lighting assets include lamps and lighting fixtures ("Cooperative Owned Area Lighting").

**MAINTENANCE OR REPAIRS OF COOPERATIVE OWNED AREA LIGHTING**

The Cooperative will own, install and maintain Cooperative Owned Area Lighting. Upon failure of any Cooperative Owned Area Lighting, such Lighting will be replaced by the Cooperative with LED lighting, and applicable charges may apply.

The Member will pay for costs of repairs including labor and materials for damage to Cooperative Owned Area Lighting resulting from an act of vandalism as determined by the Cooperative. The Member will be responsible for any costs of repairs including labor and materials for damage to existing facilities owned by the Member.

**MEMBER REQUESTS**

**Relocate** – The Member will pay for all costs, including labor and materials for the relocation of any Cooperative Owned Area Lighting and necessary facilities, subject to Section 400, Line Extension Policy.

**Change Out** – Any Member requesting to change out functional Cooperative Owned Area Lighting to LED lighting will pay the net book value of the existing Cooperative Owned Area Lighting including labor costs of change out as determined by the Cooperative. Following the change out, the Cooperative will adjust the Member's account(s) to reflect the appropriate rate.

**Removal** – Only applies to Cooperative Owned Area Lighting installed on Member-owned facilities. Any Member requesting the removal of Cooperative Owned Area Lighting must provide notice in writing to the Cooperative. The Member will be responsible for paying the net book value of the existing Cooperative Owned Area Lighting including labor costs of removal as determined by the Cooperative and any costs for disposal of the Cooperative Owned Area Lighting. Upon removal, the Member will be responsible for any costs associated with furnishing of new lamps or lighting fixtures including labor and installation and maintenance and repair. Following the removal, the Cooperative will adjust the Member's account(s) to reflect the appropriate rate.

**Purchase** – Only applies to Cooperative Owned Area Lighting installed on Member-owned facilities. Any Member requesting the purchase of Cooperative Owned Area Lighting must provide notice in writing to the Cooperative. The Member will be responsible for paying the net book value of the existing Cooperative Owned Area Lighting. Upon purchase, the Member will own the lamps or lighting fixtures, and be responsible for any maintenance and repair costs. Following the purchase, the Cooperative will adjust the Member's account(s) to reflect the appropriate rate.

**RATE**

The following charges will apply per lighting device:

Lamp Type:	Lighting Category:	Charge per Lamp:
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LED 1	Lighting Type LA, 0 to 50 watts	\$9.22
LED 2	Lighting Type LB, 51 to 100 watts	\$19.22
HP 1*	Lighting Type LB, 51 to 100 watts	\$7.37
HP 2*	Lighting Type LE, 201 to 250 watts	\$14.39
MH*	Lighting Type LD, 151 to 200 watts	\$6.62
MV*	Lighting Type LD, 151 to 200 watts	\$6.62

LED – Light Emitting Diode; HPS – High Pressure Sodium; MH – Metal Halide;  
MV – Mercury Vapor

\* These lamps are no longer available for new installations.

**500.1.17 POWER OF CHANGE**

**APPLICABILITY**

This adjustment applies to all Members participating in PEC's voluntary on-bill round up and donation program. A participating Member may choose to discontinue at any time.

**PURPOSE**

This adjustment is used to raise funds to support community support programs and associated giving subject to the conditions in the Community Support and Power of Change Policy.

**RATE**

The total monthly bill will be rounded up to the nearest dollar.

**500.1.18 CAPITAL CREDITS**

**APPLICABILITY**

This adjustment may apply to all Members who have allocated capital credits.

**PURPOSE**

This adjustment will serve as the Cooperative's method to distribute a Member's share of the Cooperative's Net Operating Margins based upon each Member's purchases of electric service or energy, or as such Net Operating Margins may otherwise be allocated within a Member Class to a Member.

**RATE**

As approved by the Board of Directors.

**500.1.19 MISCELLANEOUS PASS-THROUGH CHARGE**

**APPLICABILITY**

This charge may be applicable to a Member if the Cooperative incurs a cost directly as a result of actions taken by or on behalf of the Member or for the strict benefit of such Member and not collected in another fee or rate schedule.

**PURPOSE**

This charge recovers the cost associated with a Member responsible for directly incurring the costs.

**RATE**

Actual cost incurred monthly.

**500.1.20 TEMPORARY WINTER STORM SURCHARGE**

**APPLICABILITY**

This charge may be applicable according to the Member's rate schedule.

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**PURPOSE**

This charge recovers the Cooperative's actual cost of power purchased and other associated costs from Winter Storm Uri in February 2021.

**RATE**

The charge is:

\$ 0.007000 per kWh

**Section 500.1.20 above and all references will be removed effective September 30, 2023.**

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**500.1.21 DUAL FEED RIDER**

**APPLICABILITY**

This charge may be applicable to any member with non-standard facilities requesting dual feed service which requires the reservation of electrical capacity on an additional electrical distribution feeder.

**PURPOSE**

This charge recovers the cost associated with the maintenance and operations of the electric distribution infrastructure and other related costs, excluding local facilities, for the reserved capacity on an additional electrical distribution feeder.

**CONDITIONS**

A member requesting dual feed service through an automatic transfer will be billed the Reserve Capacity Charge. Per Section 400.9, Non-Standard Delivery Service and Facilities, Members requesting non-standard facilities will be responsible for all costs associated with the engineering, installation, maintenance, and material costs required to provide and maintain the non-standard facilities.

**RATE**

This monthly charge will be billed per kilowatt (kW) and determined using the highest annual non-coincidental peak demand measured on an hourly interval basis. The demand will remain unchanged for a 12-month period and adjusted upon review annually.

The monthly charge is:  
\$5.20 per kW

**500.2 RATE SCHEDULES**

**500.2.1 RESIDENTIAL, FARM AND RANCH SERVICE**

**500.2.1.1 RESIDENTIAL, FARM AND RANCH SERVICE**

**APPLICABILITY**

This schedule applies to Members receiving distribution service in locations built to serve as and are currently serving as an Individual Private Dwelling or Multi-Family Dwelling and their facilities, or facilities used for small-scale agricultural purposes such as water wells. If the location is being used for commercial purposes, PEC may change the member's rate to the appropriate non-residential service rate.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 22.50	meter	month
Delivery Charge	\$ 0.028405	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

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**500.2.2 NON-RESIDENTIAL SERVICE**

**500.2.2.1 SMALL POWER SERVICE**

**APPLICABILITY**

This schedule applies to distribution service locations built for commercial purposes with a rolling twelve (12) month average maximum demand below fifty (50) kW. The maximum demand will be captured during the hourly interval within the monthly billing cycle with the highest demand. If a Member's maximum monthly demand is fifty (50) kW or greater in any rolling twelve (12) month period, then the Cooperative may re-classify the Member as Large Power Service for a period of at least twelve (12) months or until the rolling twelve (12) month average demand is below fifty (50) kW.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 37.50	meter	month
Delivery Charge	\$ 0.021977	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.2.2.2 LARGE POWER SERVICE**

**APPLICABILITY**

This schedule applies to distribution service locations with a rolling twelve (12) month average demand of fifty (50) kW or greater, and who is not covered by another rate schedule. The maximum demand will be captured during the hourly interval within the monthly billing cycle with the highest demand. If a Member's maximum monthly demand is below fifty (50) kW in any rolling twelve (12) month period, then the Cooperative may re-classify the Member as Small Power Service for a period of at least twelve (12) months or until the rolling twelve (12) month average demand is fifty (50) kW or greater.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 150.00	meter	month
Peak Demand Charge	\$ 6.74	kW	Peak Demand
Base Power Charge	Per Section 500.1.7.2	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.2	kW	4CP Demand
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

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**500.2.2.3 INDUSTRIAL POWER SERVICE**

**APPLICABILITY**

This schedule applies to Members whose service level is not classified as Secondary, Primary, or Transmission level and whose uses are not covered by another specific rate schedule.

This schedule is not available to new Members or Applicants effective March 1, 2021.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 1,000.00	meter	month
Capacity Demand Charge	\$ 0.490000	kW	Capacity Demand
Base Power Charge	See Below	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.2	kW	4CP Demand

Base Power Charge: The cost of power to serve the Member, including capacity, ancillary services, delivery, energy, and fuel charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods. These costs will be a direct pass through from the wholesale provider provided that the Member's billing units for power cost may be adjusted for line losses, as determined by the Cooperative, to calculate the Member's power cost at the wholesale supplier's metering point to the Cooperative.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.2.2.4 TRANSMISSION LEVEL SERVICE**

**APPLICABILITY**

This schedule applies to Members receiving power at transmission level voltage (sixty (60) KV or above).

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 1,000.00	meter	month
Base Power Charge	See Below	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.2	kW	4CP Demand

Base Power Charge: The cost of power to serve the Member, including capacity, ancillary services, delivery, energy, and fuel charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods. These costs will be a direct pass through from the wholesale provider provided that the Member's billing units for power cost may be adjusted for line losses, as determined by the Cooperative, to calculate the Member's power cost at the wholesale supplier's metering point to the Cooperative.

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The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.2.2.5 ELECTRIC VEHICLE PUBLIC CHARGE STATION RATE**

**APPLICABILITY**

The rate is applicable to a Member or non-Member receiving electric service through a public electric vehicle charging station connected to the Cooperative's Delivery System and owned and/or operated by the Cooperative.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Ten percent (10%)	n/a	total charges
Delivery Charge	Per Section 500.2.1.1	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.2	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

Service Availability Charge: The charge will be ten percent (10%) of the total cost per kWh calculated on the sum of the Delivery, TCOS, and Base Power Charges as described in this section.

The total cost per kWh will be the sum of the above charges. Charges may be subject to rounding as required by the billing software provider.

**500.3 RATE PROGRAMS**

**500.3.1 INTERCONNECT RATE**

**APPLICABILITY**

This program applies to Residential and Small Power Service Members with a Distributed Generation system that is less than fifty (50) kW AC of capacity. The Member must have an approved Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6.

**RATE**

Service will be measured through a single meter, with two (2) registers measuring Delivered Energy and Received Energy. Delivered Energy will determine the charges for energy consumption. Received Energy will determine the credit for surplus energy generated by the member.

**MONTHLY RATE**

The following charges may apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Per applicable rate schedule	meter	month
Delivery Charge	Per applicable rate schedule	kWh	Delivered Energy
Base Power Charge	Flat Base Power, per Section 500.1.7.1	kWh	Delivered Energy
Sustainable Power Credit	Per Section 500.1.12	kWh	Received Energy
TCOS Pass Through Charge	Per applicable rate schedule	kWh	Delivered Energy

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Temporary Winter Storm Surcharge	Per applicable rate schedule	kWh	Delivered Energy
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The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.2 INTERCONNECT WHOLESALE ENERGY RATE**

**APPLICABILITY**

This program applies to Large Power Members with a DG system or any member with DG system that is fifty (50) kW AC or greater of capacity. The Member must have an approved Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Per Section 500.2.2.2	meter	month
Peak Demand Charge	Per Section 500.2.2.2	kW	Peak Demand
Base Power Charge	Per Section 500.2.2.2	kWh	Delivered Energy
Wholesale Energy Credit	Per Section 500.1.13	kWh	Received Energy
TCOS Pass Through Charge	Per Section 500.2.2.2	kW	4CP Demand
Temporary Winter Storm Surcharge	Per Section 500.2.2.2	kWh	Delivered Energy

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.3 COMMUNITY SOLAR RATE**

**APPLICABILITY**

This program applies to all rate classes except Industrial Power Service, Transmission Service, Large Power Service, and Unmetered Device Service rates. Additionally, this Rate is not applicable to accounts enrolled in Time-of-Use Base Power Charge, Interconnect, or Interconnect Wholesale Energy Rates.

**CONDITIONS**

1. The Community Solar Rate is available to any eligible Member provided that Member completes an enrollment application for the Community Solar Rate.
2. The allocation of available Community Solar Energy Units (as defined below) will be assigned to applicants on a first-come, first-served basis as determined by the date and time of application submission.
3. Each Member's assigned Community Solar Energy Units will be no greater than the Member's average monthly energy usage during the previous twelve (12) month period, divided by one hundred (100), and rounded up to the next whole number. If Member does not have a twelve (12) month energy usage history, then an estimated monthly average energy usage will be determined based on the information provided in the Member's application.
4. Member acknowledges that the Solar Energy (as defined below) is not a fixed amount and may vary monthly depending on total Community Solar generation. Member acknowledges Community Solar generation is intermittent in nature and the amount of energy produced varies from moment to moment depending on many factors including the time of the year, the time of

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the day, and the weather. As a result, the Cooperative cannot guarantee the actual amount of Solar Energy.

5. Member agrees to a recurring twenty-four (24) month enrollment commitment with an automatic renewal every twenty-four (24) months until Member submits a request to terminate enrollment no later than thirty (30) calendar days prior to the end of the commitment period. Any modifications to enrollment status will be effective at the beginning of the Member's next billing cycle.
6. Cooperative will monitor and administer the Community Solar Rate and from time to time will inspect the effectiveness of the Community Solar Rate.
7. Cooperative may elect to reduce a Member's assigned Community Solar Energy Units, with notice to Member, if Member's Solar Energy is over one-hundred and ten percent (110%) of the Member's monthly average energy usage during a rolling twelve (12) month period.

**BILLING DETERMINANTS**

**Community Solar Energy Units** – A Community Solar Energy Unit represents a portion of the Community Solar generation, assigned to the Member.

**Unit Energy Allocation** – The Unit Energy Allocation (kWh) is the energy for each Community Solar Energy Unit assigned to the Member on a monthly basis. The Unit Energy Allocation will be based on the monthly total Community Solar generation divided by the number of Community Solar Energy Units assigned to Members enrolled on the Community Solar Rate. The Unit Energy Allocation will be equivalent to no more than one hundred (100) kWh.

**Solar Received** – The monthly energy that corresponds to each Member from Community Solar generation. The Solar Energy will be determined by multiplying the Member's Community Solar Energy Units by the monthly Unit Energy Allocation.

**Net Energy** – The Net Energy (kWh) will be calculated by subtracting the Solar Energy from the Delivered Energy on a monthly basis. If Solar Energy is greater than Delivered Energy, then the Solar Energy will be adjusted to equal the Delivered Energy, and Net Energy will be zero (0). The Net Energy will never be negative regardless of the Member's Community Solar Energy Units.

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	Per applicable rate schedule	meter	month
Delivery Charge	Per applicable rate schedule	kWh	Delivered Energy
Peak Demand Charge	Per applicable rate schedule	kW	Peak Demand
Base Power Charge	Flat Base Power, per Section 500.1.7	kWh	Net Energy
Community Solar Base Power Charge	\$ 0.061080	kWh	Solar Received
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Solar Transmission Cost Adjustment	Per Section 500.1.9	kWh	Solar Received
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

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**TCOS Pass Through Charge** –The TCOS charge will apply to Delivered Energy for Members as per the applicable tariff in Section 500.1.8.1. Transmission Cost of Service (TCOS) Pass Through Charge.

**Solar Transmission Cost Adjustment** – The STCA credit will apply to Solar Energy received by Members as per the applicable tariff in Section 500.1.9, Community Solar Transmission Cost Adjustment.

**Community Solar Base Power Charge** – The Community Solar Base Power Charge will recover the actual cost of power purchased for Community Solar generation and other costs incurred in connection with solar generation. The Community Solar Base Power Charge will apply to Solar Energy. The Cooperative Solar Base Power Charge is \$0.061080 per kWh.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.4 MILITARY BASE DISCOUNT**

**APPLICABILITY**

The discount will be applicable in conjunction with the Member's rate schedule to any military base that the Cooperative serves, as required by the Texas Utilities Code. Sec. 36.354. The provisions of the applicable rate schedule are modified only as shown herein.

**MONTHLY RATE**

The amount due to the Cooperative will be reduced by twenty percent (20%), except for the Base Power and TCOS charges applicable to the Member, and excluding any adjustment factors, cost recovery factors, specific facilities charges, and service fees, as per the Member's rate schedule.

**500.3.5 ECONOMIC DEVELOPMENT DISCOUNT**

**PURPOSE**

To encourage economic development, provide economic stimulus, and increase the competitiveness of communities in their economic development pursuits within the Lower Colorado River Authority (LCRA) service territory, the Cooperative will pass through an Economic Development Discount (EDD) available through the LCRA to qualifying Members.

**APPLICABILITY**

Subject to the conditions listed and confirmation of availability from LCRA, this discount applies to Large Power Service, Transmission Level Service, and Industrial Power Service Members with minimum LCRA supplied energy usage of two million two hundred thousand (2,200,000) kWh to a single site in the LCRA service territory.

**CONDITIONS**

To be eligible to receive an EDD, a Large Power Service, Transmission Level Service, or Industrial Level Service Member must meet the following requirements:

1. Member must have added a new location for electric service within LCRA's service territory or expanded an existing location for electric service with addition of a new metering point within the LCRA's service territory;
2. Service location must have appropriate metering equipment to record actual energy consumption;
3. Member must have received economic development assistance, including but not limited to, tax incentives or grants, from cities, counties or other regional entities (Member must provide executed agreements that address various economic impact metrics such as job creation and investment requirements); and

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4. Member must enter into a five (5) year agreement with the Cooperative in a form approved by the Cooperative, which may include, among other provisions, terms regarding minimum load requirements, purchase power requirements, metering data submission, economic impact reporting, and repayment provisions for failure to meet conditions of discount.

**RATE**

After the first year of Member's minimum annual usage of two million two hundred thousand (2,200,000) kWh served by the Cooperative through energy purchases from the LCRA at a single site within the LCRA service territory, and each year thereafter for no more than three (3) years, the discount will apply to reduce the Cooperative's total costs for providing service to the new service location in the amounts and terms described in an agreement entered into between the Cooperative and the Member. The amount of the EDD for the Member will be equivalent to the reduction that the Cooperative receives from LCRA minus any associated cost of implementation.

**AVAILABILITY**

The discount will be available to applicable Members for no more than three (3) years.

**500.3.6 UNMETERED DEVICE SERVICE**

**APPLICABILITY**

This schedule applies to Members requesting Unmetered Service to lighting and non-lighting related devices owned, operated, and maintained by the Member or the Cooperative. Devices may not have a maximum power requirement of more than five hundred (500) watts.

**CONDITIONS**

To qualify for this service, the Member must comply with the following provisions:

1. Member must provide the technical specifications and location of device(s) installed;
2. Member must provide notice of any new device(s) installed or changes to approved devices by the Member within 48 hours of installation;
3. A maximum of one-hundred and fifty (150) individual devices can be aggregated to a single account; and
4. All approved devices must be located within the same municipality for the assessment of any municipal franchise fee, if applicable.

**UNAUTHORIZED DEVICES**

Failure by Member to notify the Cooperative of any new devices may result in the Cooperative's refusal to continue service.

If the Cooperative discovers any new and unauthorized devices installed by the Member, the Cooperative may make a billing adjustment to account for six (6) months of energy consumption for each unauthorized device.

If the Cooperative discovers any changes to authorized devices, such as a change in the device's category, already installed by the Member, the Cooperative will make a billing adjustment to account for the difference in energy consumption between the billed device and the unauthorized device for six (6) months of energy consumption for each unauthorized device.

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**500.3.6.1 UNMETERED LIGHTING DEVICE SERVICE**

**BILLING DETERMINANTS**

The Cooperative will place each lighting device in the categories below. Monthly consumption is based on a fifty (50) percent load factor.

Lighting Device Category and Monthly Energy Consumption		
Device Type LA	1 – 50 watts	18 kWh
Device Type LB	51 – 100 watts	37 kWh
Device Type LC	101 – 150 watts	55 kWh
Device Type LD	151 – 200 watts	73 kWh
Device Type LE	201 – 250 watts	91 kWh

**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 37.50	account	month
Delivery Charge	\$ 0.021977	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

Service Availability Charge: This charge is applicable if devices are not already included on a bill with a metered account. Otherwise, the account will be billed per this rate schedule.

The charge per lamp above is the monthly energy (kWh) multiplied by the calculated sum of the Delivery Charge and the Base Power Charge as described in this section.

Members with Cooperative-owned devices will be billed a lamp charge per Section 500.1.16, Cooperative Owned Lamp Charge.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

**500.3.6.2 UNMETERED NON-LIGHTING DEVICE SERVICE**

**BILLING DETERMINANTS**

The Cooperative will place each non-lighting device in the categories below. Monthly consumption is based on a one hundred (100) percent load factor.

Non-Lighting Device Category and Monthly Energy Consumption		
Device Type A	1 – 100 watts	73 kWh
Device Type B	101 – 200 watts	146 kWh
Device Type C	201 – 300 watts	219 kWh
Device Type D	301 – 400 watts	292 kWh
Device Type E	401 – 500 watts	365 kWh

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**MONTHLY RATE**

The following charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	\$ 37.50	account	month
Delivery Charge	\$ 0.010988	kWh	Delivered Energy
Base Power Charge	Per Section 500.1.7.1	kWh	Delivered Energy
TCOS Pass Through Charge	Per Section 500.1.8.1	kWh	Delivered Energy
Temporary Winter Storm Surcharge	Per Section 500.1.20	kWh	Delivered Energy

Service Availability Charge: This charge is applicable if devices are not included on a bill with a metered account. Otherwise, the account will be billed per the applicable rate schedule.

The charge per device above is the monthly kWh multiplied by the calculated sum of the Delivery Charge, TCOS Charge, and the Base Power Charge as described in this section.

The monthly bill will be the sum of the above charges plus any applicable fees, taxes, discounts, credits, or adjustments.

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**500.4 FEE SCHEDULE**

<b>FEE</b>	<b>AMOUNT</b>	<b>SECTION</b>
Open Records Fee – Staff research time	\$ 40.00 per hour	300.4
Open Records Fee – Copies	\$ 0.25 cents per page for any pages in excess of 10 pages	300.4
Open Records Fee – Other materials and services not included in research time and copies.	Actual cost	300.4
Subpoena Response Service Fee	\$ 40.00 / hour	300.4.1
Easement Release Fee	\$ 100.00	300.4.2
Membership Fee	\$ 50.00	300.8.1
Establishment/Transfer Fee	\$ 50.00	300.8.2
Same Day Service Fee	\$ 125.00 – (8 AM to 5 PM on Business Days) \$ 175.00 – All other times	300.9.3
Late Payment Processing Fee	10 percent of unpaid amount	300.11.4
Non-Payment Disconnect/Reconnect Fee	\$ 75.00	300.11.9
Loan Late Fee	The greater of \$ 7.50 or 7 percent	300.11.5
Return Check/Denied Bank Draft Fee	\$ 30.00	300.11.6
Meter Test Fee	\$ 100.00	300.13.4
Advanced Metering Opt Out Program – Meter Exchange Fee	\$ 150.00	300.13.6
Advanced Meter Opt Out Program – Non-Payment Disconnect/Reconnect Fee	\$ 200.00	300.13.6
Advanced Metering Opt Out Program – Meter Reading Fee	\$ 30.00, additional \$ 3.50 / mile charge for service locations further than thirty (30) miles from nearest area office	300.13.6
Meter Tampering Fee	\$ 500.00	300.13.7
System Impact Fee	\$ 200.00	400.15
Planning Redesign Fee	\$ 500.00 or actual cost, whichever greater	400.16

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<b>FEE</b>	<b>AMOUNT</b>	<b>SECTION</b>
After Hours Service Fee	At cost	400.17
Miscellaneous Trip Fee	\$ 100.00	400.18
Franchise Fee	Varies depending on the municipality	500.1.14
Distributed Generation Interconnection Transfer Fee	\$ 150.00	600.4
<b>Distributed Generation Interconnection, 50 kW and under</b>		
Application and Engineering Study Fee	\$ 250.00	600.4
Interconnect Agreement and Inspection Fee	\$ 250.00	600.4
<b>Distributed Generation Interconnection, greater than 50 kW</b>		
Application Fee	\$ 150.00	600.4
Interconnect Agreement and Inspection Fee	\$ 250.00	600.4
Engineering Study Fee	At cost	600.5

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**Section 600: Interconnection Policy**

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**600 INTERCONNECTION POLICY**

**600.1 GENERAL**

This Policy applies to the installation and parallel operation of Member owned Distributed Generation (DG).

While not regulated by the Commission on this subject, the Cooperative adopts as its requirements for safety, reliability, and operational rule the Commission's Substantive Rule 25.212 "Technical Requirements for Interconnection and Parallel Operation of On-Site Distributed Generation" as may be amended from time to time as the Cooperative's interconnection, operational, safety, and reliability rules, except for any portions of the substantive rule which refer to the Commission's form of an Interconnection Agreement or Tariff as may be amended from time to time. Should any provision of the adopted substantive rule and this Policy conflict, this Policy will control.

**600.2 LIMITATIONS WITH REGARD TO METERS AND FACILITIES**

A Member may serve all load behind the meter at the location of the interconnecting DG facility but will not be allowed to serve multiple meters, multiple consuming facilities or multiple Members with a single DG facility or under a single DG application.

**600.3 COMPLIANCE WITH ALL LAWS, REGULATIONS, AND STANDARDS**

A Member requesting to interconnect a DG facility to the Cooperative's Delivery System is responsible for and must follow, in addition to all provisions of this Policy, the Cooperative's Tariff and Business Rules, the policies and procedures of the Cooperative's power supplier where applicable, the policies and procedures of the interconnecting transmission provider where applicable, the rules and regulations of ERCOT and the Commission where applicable, the current IEEE 1547 Standard Guide for Distributed Generation Interconnection, other applicable IEEE standards, applicable ANSI standards, including ANSI C84.1 Range A and any other applicable governmental and regulatory laws, rules, ordinances or requirements. All legal, technical, financial, or other requirements in the following sections of this Policy must be met prior to interconnection of the DG facility to the Cooperative's system.

**600.4 MEMBER REQUIREMENTS**

**APPLY FOR DG SERVICE**

To begin the process of interconnecting a DG facility to the Cooperative's Delivery System, a Member must complete and submit an Application for Interconnection and Parallel Operation of Distributed Generation (DG), Section 700.5.

**APPLICATION AND ENGINEERING STUDY FEES**

At the time of application for DG service, the Member will pay a refundable application and engineering study fee. The application and engineering study fee will recover the cost for the Cooperative to complete all work required to facilitate the Member's DG service prior to execution of an interconnect agreement, including an engineering study for DG interconnections under 50 kW AC. This fee may be refunded in the case that an Applicant's costs to interconnect a DG system would require Cooperative Delivery System upgrades as per the Line Extension Policy, Section 400. For DG interconnections greater than 50 kW AC, the cost of the engineering study is not included in the application fee, therefore the Applicant will be billed separately at cost. All fee amounts are per Section 500.4, Fee Schedule.

**EXECUTE AN INTERCONNECT AGREEMENT**

To interconnect a DG facility to the Cooperative's Delivery System, a Member must complete, submit, and have approved by the Cooperative an Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6.

**PAY INTERCONNECT AGREEMENT AND INSPECTION FEES**

The Member will pay a non-refundable interconnect agreement and inspection fee if executing an Interconnection Agreement for Parallel Operation of Distributed Generation (DG), Section 700.6. The interconnect agreement and inspection fee covers the cost for the Cooperative to complete all work required to facilitate the Member's DG service with the exception of any work required in the application

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process covered by the application fees or by Section 400.14, Service Upgrades to Existing Cooperative Facilities. All fee amounts are per Section 500.4, Fee Schedule.

**DISTRIBUTED GENERATION INTERCONNECTION TRANSFER FEE**

A member moving into an existing interconnect location with intent to generate will be required to establish a new Interconnect Agreement with the Cooperative and pay the DG Interconnection Transfer Fee. All fee amounts are per Section 500.4, Fee Schedule.

**600.5 COOPERATIVE REVIEW OF PROPOSED DG FACILITY  
ENGINEERING STUDIES AND STUDY FEES**

The Cooperative will conduct an engineering study, service study, coordination study and/or utility system impact study prior to interconnection of a DG facility. The scope of any such studies will be based on the characteristics of the particular DG facility to be interconnected and the Cooperative's Delivery System at the proposed location. Studies may be conducted by a qualified third party. For DG facilities greater than 50 kW AC, an estimate of the engineering study cost and an estimate of the time required to complete the study will be provided to the Member in advance as part of the application fees. If the cost of the study is in excess of the estimate the member will be required to pay actual cost in full.

**LIABILITY**

The Cooperative intends the review process and any inspections as a means to safeguard the Cooperative's facilities and personnel. The Member acknowledges and agrees that any review or acceptance of such plans, specifications and other information by the Cooperative will not impose any liability on the Cooperative and does not guarantee the adequacy of the Member's equipment or DG facility to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost-effectiveness, safety, durability, or reliability of such DG installations.

**SYSTEM UPGRADES AND MODIFICATIONS TO COOPERATIVE FACILITY**

If interconnection of a particular DG facility will require material capital upgrades to the Cooperative's Delivery System as determined by the engineering study, the Cooperative will provide the Member with an estimate of the schedule and Member's cost for the upgrade. If the Member desires to proceed with the upgrade, the Member will be responsible for all costs associated with the upgrade in accordance with Section 400.14, Service Upgrades to Existing Cooperative Facilities.

**GENERAL SAFETY AND RELIABILITY**

The Cooperative reserves the right to require additional safety, reliability and/or operational equipment and/or measures beyond that required by the referenced Substantive Rule where its engineering study determines that such equipment and/or operational measures are required. In such cases, the Member will be responsible for the cost of such equipment and/or operational measures.

**DG FACILITY ACCESS**

The Cooperative has the right to access the area where the disconnect switch for the DG facility is installed for purposes of testing and/or operating the disconnect switch. Such entry onto the Member's property may be without notice.

If the Member erects or maintains locked gates or other barriers, the Member will furnish the Cooperative with convenient means to circumvent the barrier for full access.

**METERING**

The Member location will be metered in accordance with Section 300.13, Measurement and Metering of Service. Depending on the size and registration status of the DG facility with ERCOT additional meter requirements may be necessary.

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**Section 700: Appendix – Membership Application and Certificate**

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**700 APPENDICES**

**700.1 MEMBERSHIP APPLICATION AND CERTIFICATE**



**MEMBERSHIP APPLICATION AND CERTIFICATE**

I apply for membership in Pedernales Electric Cooperative, Inc. I agree to be connected to and receive service from the Cooperative's electric distribution system. I agree to pay for Cooperative services and abide by the Cooperative's Bylaws, Tariff, policies, and procedures. I authorize agents of the Cooperative to enter and will allow easy access to my property to repair and maintain lines or equipment or for any other purpose necessary to provide services and conduct business.

Date:  Account number:

Name and address of applicant:

Phone:  Alternate phone:

Location description:

I understand that Pedernales Electric Cooperative requires one (1) refundable membership fee per member. The membership fee will be applied as a credit to the bill when all accounts are closed.

**This certifies the applicant is a member of Pedernales Electric Cooperative, Inc.**

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**Section 700: Appendix – Residential Letter of Guarantee**

Applicable: Entire Certified Service Area

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**700.2 RESIDENTIAL LETTER OF GUARANTEE**

PEC COPY – RETURN TO:  
P.O. BOX 1, Johnson City, TX 78636



**RESIDENTIAL LETTER OF GUARANTEE**

(Waiver of Deposit agreement)

In order that Pedernales Electric Cooperative, Inc. ("PEC"), waive a cash deposit for securing payment of electric bill for:

Applicant Name: \_\_\_\_\_

I, (Guarantor Name): \_\_\_\_\_

**Agree to pay an amount not to exceed one hundred and fifty dollars (\$150.00).**

**I UNDERSTAND BY SIGNING THIS AGREEMENT THAT:**

1. A credit risk assessment on the Guarantor may be conducted by PEC or on its behalf.
2. The amount of liability for Guarantor toward payment of Member's unpaid final bill will not exceed one hundred and fifty dollars (\$150.00).
3. This Agreement transfers with the Member/Guarantor, should either party change his or her service address and continue to receive electric service from PEC.
4. This guaranty will terminate automatically when the Member has paid his or her bills for twelve (12) consecutive months without service being disconnected for nonpayment, without having more than one (1) late payment, and without having more than one (1) returned item.
5. **If Member fails to pay the final bill within sixteen (16) days after the final due date, the Guarantor's electric account may be charged an amount not to exceed one hundred and fifty dollars (\$150.00). If this amount is not paid or arrangements not made for payment, Guarantor's own electric service may be disconnected.**

Member name: _____	Guarantor: _____
Member signature: _____	Guarantor signature: _____
Address: _____	Address: _____
City, State, Zip: _____	City, State, Zip: _____
Phone: _____	Phone: _____
Date: _____	Date: _____
Account number: _____	Account number: _____
Amount: _____	

Appearing the Guarantor, \_\_\_\_\_, subscribed and sworn  
before me this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

(NOTARY SEAL)

Notary public signature:

**Pedernales Electric Cooperative, Inc.**  
*Residential Letter of Guarantee - PEC copy*  
**Pedernales Electric Cooperative, Inc.**

\_\_\_\_\_  
\_\_\_\_\_  
Pedernales Electric Cooperative, Inc.

**Tariff and Business Rules for Electric Service  
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**Section 700: Appendix – Residential Letter of Guarantee**

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GUARANTOR COPY



**RESIDENTIAL LETTER OF GUARANTEE**

(Waiver of Deposit agreement)

In order that Pedernales Electric Cooperative, Inc. ("PEC"), waive a cash deposit for securing payment of electric bill for:

Applicant Name: \_\_\_\_\_

I, (Guarantor Name): \_\_\_\_\_

**Agree to pay an amount not to exceed one hundred and fifty dollars (\$150.00).**

**I UNDERSTAND BY SIGNING THIS AGREEMENT THAT:**

1. A credit risk assessment on the Guarantor may be conducted by PEC or on its behalf.
2. The amount of liability for Guarantor toward payment of Member's unpaid final bill will not exceed one hundred and fifty dollars (\$150.00).
3. This Agreement transfers with the Member/Guarantor, should either party change his or her service address and continue to receive electric service from PEC.
4. This guaranty will terminate automatically when the Member has paid his or her bills for twelve (12) consecutive months without service being disconnected for nonpayment, without having more than one (1) late payment, and without having more than one (1) returned item.
5. **If Member fails to pay the final bill within sixteen (16) days after the final due date, the Guarantor's electric account may be charged an amount not to exceed one hundred and fifty dollars (\$150.00). If this amount is not paid or arrangements not made for payment, Guarantor's own electric service may be disconnected.**

Member name: \_\_\_\_\_

Guarantor: \_\_\_\_\_

Member signature: \_\_\_\_\_

Guarantor signature: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Account number: \_\_\_\_\_

Account number: \_\_\_\_\_

Amount: \_\_\_\_\_

Appearing the Guarantor, \_\_\_\_\_, subscribed and sworn

before me this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_ .

(NOTARY SEAL)

Notary public signature: \_\_\_\_\_

**Pedernales Electric Cooperative, Inc.**  
*Residential Letter of Guarantee - Guarantor copy*

**Pedernales Electric Cooperative, Inc.**  
*Residential Letter of Guarantee - Page 2 of 2*

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**Section 700: Appendix – Prepaid Payment Option Member Agreement**

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**700.3 PREPAID PAYMENT OPTION MEMBER AGREEMENT**



**PRE-PAID PAYMENT OPTION MEMBER AGREEMENT**

Pedernales Electric Cooperative, Inc. ("PEC") is pleased to offer the Pre-paid Payment Option to eligible members. This payment option allows you to manage your electric usage and payments towards your electric bill. With this payment option, each day, PEC will bill you for your previous day's usage and deduct the bill amount from the credit on your account. Daily balances are available for review at [pec.coop/PayNow](http://pec.coop/PayNow), SmartHub, or by phone. PEC will send you notices by phone, text, or email reflecting your balance. If you have an existing deposit on your account, PEC will retain \$50 of that deposit and apply the remaining amount to your pre-paid balance.

**ELIGIBLE MEMBERS MUST:**

- Have a twenty five dollar (\$25) pre-paid credit balance to set up the account
- Keep a credit balance on the account at all times

**OTHER PROGRAM INFORMATION:**

- Pre-paid accounts are not eligible for the following services and rates:
  - Deferred Payment Arrangement, Budget Billing, Automatic Payment Plan
  - Time of Use, Interconnections, or Cooperative Solar rates
  - Medical Necessity Registry, Advanced Meter Opt Out Program, or with three-phase service
- No deposit based on credit worthiness is required for Pre-paid Payment Option accounts
- Make payments via the SmartHub app, online, by phone, at kiosks, by mail, or in person
- Existing balances must be cleared or a payment arrangement must be scheduled prior to enrollment:
  - Fifty percent (50%) of every payment will be applied to the outstanding balance.
  - The remaining fifty percent (50%) will be applied to the pre-paid account balance until the outstanding balance is paid in full
- Members are responsible for setting up personalized notifications via SmartHub
- If service is disconnected for lack of pre-paid funds, the unpaid balance will be due along with a twenty five dollar (\$25) credit balance to reinstate electric service

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**PRE-PAID PAYMENT OPTION MEMBER AGREEMENT - CONTINUED**

**MEMBER:**

1. I request that my account be added to the Pre-paid Payment Option. I agree to abide by the Tariff and Business Rules (Section 300.11.3.1) governing the Pre-paid Payment Option.
2. I consent to electronic notifications by electronic mail, text, or by phone regarding the Pre-paid Payment Option, including notifications regarding balances. PEC will send notice either by email or text when the balance is at ten dollars (\$10) or less. You may elect to receive additional alerts by through your SmartHub account. I understand that it is my responsibility to immediately notify PEC of any changes to my contact information.
3. The continuation of electric service depends on your prepaying for service on a timely basis and once the fund balance on the electric account is depleted to zero dollars (\$0), a notification will be sent, and service is subject to disconnection. The daily base rate will continue to accumulate even if no energy consumption occurs.
4. Member assumes all liability for and holds harmless PEC, its directors, officers, employees, and agents for any and all damages of every kind resulting from my participation in the Pre-paid Payment Option including, without limitation, automatic disconnection or reconnection of service.
5. I understand that at any time, I may elect to discontinue the Pre-paid Payment Option and resume standard billing. At that time, PEC will require full payment of any outstanding balance and may require a deposit.
6. Member acknowledges and agrees to the terms and conditions described herein.

Member name:

Date:

Account:

Phone:

Email:

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**Section 700: Appendix – Medical Necessity Program Application**

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**700.4 MEDICAL NECESSITY PROGRAM APPLICATION**



**MEDICAL NECESSITY PROGRAM APPLICATION**

**IMPORTANT INFORMATION:**

- This application must be completed to obtain Chronic or Critical Care designation with Pedernales Electric Cooperative, Inc. ("PEC").
- This application will not be processed if incomplete, unreadable, or improperly submitted. All information is required, unless otherwise indicated.
- Submission of this application does not automatically result in Chronic or Critical Care designation.
- Members will be notified upon approval and when the designation is due for renewal.
- Pursuant to the Tariff and Business Rules of PEC, designation as a Chronic or Critical Care residential member does not relieve a member of the obligation to pay for electric service, and service may be disconnected for failure to pay.
- Chronic or Critical Care designation does not guarantee continuous electric power. If electricity is a necessity to sustain life, you must make other arrangements for on-site back-up capabilities or other alternatives in the event of power loss.
- It is important that we have the most current phone number and mailing address on record. Members who have registered their PEC account(s) online may also receive notifications via the registration email address.
- More information may be found on this Program in the "Medical Necessity Program" section of the PEC Tariff and Business Rules.

**INSTRUCTIONS FOR MEDICAL NECESSITY PROGRAM APPLICATION:**

**MEMBER:** Complete Part 1 of application and provide to patient's physician to complete

**PHYSICIAN:** Complete Part 2 of application

**MEMBER:** Return signed application to any PEC office or via email, fax, or mail

**Office locations:** Visit [pec.coop/locations](http://pec.coop/locations)

**Email:** [medical@peci.com](mailto:medical@peci.com)

**Fax:** 830-868-4956  
Attn: Medical Necessity Program

**Mail:** Pedernales Electric Cooperative, Inc.  
Attn: Medical Necessity Program  
P.O. Box 1  
Johnson City, Texas 78636

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MEDICAL NECESSITY PROGRAM APPLICATION - CONTINUED

PART 1: COMPLETED BY THE MEMBER - ALL INFORMATION IS REQUIRED

Member name on PEC account: [Redacted]

Patient name: [Redacted]

(Name of Patient living permanently at the Service Location who requires chronic condition or critical designation pursuant to PEC's Tariff and Business Rules. The Patient may be the same person as the Member.)

Account number on your PEC bill: [Redacted] Generator? [Redacted]

Service location on your PEC bill: [Redacted]

City: [Redacted] State: [Redacted] Zip: [Redacted]

Mailing address on your PEC bill: [Redacted]

City: [Redacted] State: [Redacted] Zip: [Redacted]

Member primary phone: [Redacted] Alternate phone (if any): [Redacted]

**Emergency (Secondary) Contact Information** (Your application will be rejected unless you include an Emergency Contact name or insert "I choose not to provide an Emergency Contact name." Failure to include an Emergency Contact may result in disconnection of your electric service without notice if PEC is unable to contact you.)

Emergency contact: [Redacted]

Mailing address: [Redacted]

City: [Redacted] State: [Redacted] Zip: [Redacted]

Primary phone: [Redacted] Alternate phone (if any): [Redacted]

**MEMBER** – I have read and understood PEC's information on the Medical Necessity Program and certify that the information provided on this application is correct. I understand the information may also be used to determine whether I am eligible for additional notices relating to my electric service. I agree to be contacted by telephone at the phone numbers listed above with respect to the Medical Necessity Program. Pedernales Electric Cooperative, Inc. is not liable for delayed or undelivered notifications.

**PATIENT/PATIENTS GUARDIAN, PARENT, OR MANAGING CONSERVATOR** – I have read and understood the information on the Medical Necessity Program and certify that the information provided in this application about me (or the patient) is correct. I agree to the release of the information on this form concerning my (or the patient's) medical condition for the purposes stated on this application.

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Medical Necessity Program Application**

Applicable: Entire Certified Service Area

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**MEDICAL NECESSITY PROGRAM APPLICATION - CONTINUED**

PART 2: COMPLETED BY THE PATIENT'S PHYSICIAN – ALL INFORMATION IS REQUIRED		
<b>CHRONIC CONDITION:</b>	<b>YES</b>	<b>NO</b>
The patient has a serious medical condition that requires an electric-powered medical device or electric heating or cooling to prevent impairment of a major life function through a significant deterioration or exacerbation of the person's medical condition.	<input type="checkbox"/>	<input type="checkbox"/>
If yes to the above, has the medical condition been diagnosed as a life-long condition?	<input type="checkbox"/>	<input type="checkbox"/>
<b>OR</b>		
<b>CRITICAL CARE CONDITION:</b>	<b>YES</b>	<b>NO</b>
The patient is dependent upon an electric-powered medical device to sustain life.	<input type="checkbox"/>	<input type="checkbox"/>
If yes to the above, has the medical condition been diagnosed as a life-long condition?	<input type="checkbox"/>	<input type="checkbox"/>
Physician name (please print):		
Texas Medical Board License number:		
Phone:		
Physician signature:		

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application For Interconnection and Parallel Operation of Distributed  
Generation (DG)**

Applicable: Entire Certified Service Area

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**700.5 APPLICATION FOR INTERCONNECTION AND PARALLEL  
OPERATION OF DISTRIBUTED GENERATION (DG)**



**APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION OF  
DISTRIBUTED GENERATION (DG)**

Name (First): [Redacted]  
Name (Last): [Redacted]  
Organization (if applicable): [Redacted]  
PEC account number: [Redacted]  
PEC meter number: [Redacted]  
Member phone: [Redacted]  
Member email: [Redacted]  
Installation address: [Redacted]  
Installer's name: [Redacted]  
Installer's phone: [Redacted]  
Installer's email: [Redacted]

**Distributed generator details:**  
Fuel or energy source (solar, etc.): [Redacted]  
Nameplate rating (kW-DC): [Redacted]  
Nameplate output rating (kW-AC): [Redacted]  
Operating voltage (volts): [Redacted]  
Connection (phase): [Redacted]  
Equipment manufacturer: [Redacted]  
Power factor: [Redacted]  
Frequency: [Redacted]

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application For Interconnection and Parallel Operation of Distributed  
Generation (DG)**

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**APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION OF  
DISTRIBUTED GENERATION (DG) - CONTINUED**

Battery storage system?  Yes  No

*If answering Yes to battery storage system, than complete the next set of questions:*

Nameplate rating (kW-DC):

Nameplate output rating (kW-AC):

Location of facility:

Installer's name:

Installer's phone:

Installer's email:

---

*By submitting to PEC, the Member authorizes PEC to discuss this application with the installer listed herein and such other persons necessary to process this Application including, but not limited to, any electrical contractor or consultant for the project.*

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

Applicable: Entire Certified Service Area

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**700.6 INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG)**



**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG)**

THIS AGREEMENT (the "Agreement") made this \_\_\_\_\_ day of \_\_\_\_\_ by and between

\_\_\_\_\_, hereinafter referred to as the "Member", and PEDERNALES

ELECTRIC COOPERATIVE, INC., hereinafter referred to as the "Cooperative", is as follows:

Member owns or intends to own and/or operate an electric power generating installation, at the service location below, and desires to interconnect and operate such installation in parallel with the Cooperative's electric distribution system. This Agreement defines the requirements and responsibilities of the Member including terms affecting delivery and sale of electricity as well as conditions required for parallel operating distributed generation. Parallel operation and sales of electricity will be governed by the Cooperative's Tariff and Business Rules including any and all amendments that may hereafter be approved by the PEC Board of Directors.

Account number: \_\_\_\_\_

Member name: \_\_\_\_\_

Service location: \_\_\_\_\_

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **SCOPE OF AGREEMENT.** This Agreement is applicable to conditions under which Cooperative and Member agree that one or more generating facility or facilities, interconnecting at a single point, of ten (10) megawatts or less and related interconnecting facilities to be interconnected at less than 60 kilovolts ("Facility") may be interconnected to Cooperative's facilities, as described in Exhibit A.
2. **ESTABLISHMENT OF POINT(S) OF INTERCONNECTION.** The Cooperative and the Member agree to interconnect the Facility at the Point of Interconnection in accordance with the Cooperative's Tariff and Business Rules.
3. **RESPONSIBILITIES OF COOPERATIVE AND MEMBER.** While the Cooperative is not regulated in this matter by the Public Utility Commission of Texas, the Cooperative has adopted as its requirements for safety, reliability, and operational rule the Commission's Substantive Rule 25.212 "Technical Requirements for Interconnection and Parallel Operation of On-Site Distributed Generation" hereinafter referred to as the "Rules." Member shall, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for the Facility specified on Exhibit A. Member shall conduct its operations of the Facility in compliance with all aspects of the Rules. Maintenance of the Facility shall be performed in accordance with the applicable manufacturer's recommended maintenance schedule. Member agrees to cause the Facility to be constructed in accordance with specifications equal to or greater than those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction.

Member covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of, the Facility on its side of the point of common coupling so as to reasonably minimize the likelihood of a disturbance, originating in the Facility of one Party, affecting or impairing the Facility of the other

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

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**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG) - CONTINUED**

Party, or other Facility with which Cooperative is interconnected.

The Cooperative shall notify Member if there is evidence that operation of the Facility causes disruption or deterioration of service to other utility Members or if the operation of Facility causes damage to the Cooperative's facility or other Facility with which the Cooperative is interconnected. Member shall work promptly to resolve the problem.

Member shall notify the Cooperative of any emergency or hazardous condition or occurrence with the Facility which could affect safe operation of Cooperative's facility or other Facility with which Cooperative is interconnected.

Member shall provide Cooperative at least fourteen (14) Business Days' written notice of a change in ownership; any circumstances necessitating a change in the person who is the Member; or cessation of operations of one or more Facility. Upon notice by Member of circumstances necessitating a change in the person who is the Member, the Cooperative shall undertake in a reasonably expeditious manner entry of a new Agreement with the change in person who is the Member.

4. **RIGHT OF ACCESS, EQUIPMENT INSTALLATION, REMOVAL & INSPECTION.** Upon reasonable notice, the Cooperative will send a qualified person to the premises where the Facility is located to inspect the interconnection before the Facility first produces energy. Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Cooperative shall have access to the premises where the Facility is located for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its members. Member warrants it has, or has obtained from all other persons, all necessary rights to provide Cooperative with access to the premises and Facility, as necessary or appropriate for Cooperative to exercise its rights under this Agreement and the Rules.
5. **DISCONNECTION OF FACILITY.** Member retains the option to disconnect from the Cooperative's facilities. Member shall notify Cooperative of its intent to disconnect by giving Cooperative at least thirty (30) business days' written notice. Such disconnection shall be a termination of this Agreement.
6. **EFFECTIVE TERM AND TERMINATION RIGHTS.** This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. The Agreement may be terminated for the following reasons: (a) Member may terminate this Agreement at any time, by giving Cooperative thirty (30) business days' written notice; (b) Cooperative may terminate upon failure by Member to generate energy from the Facility within twelve months of executing this Agreement; (c) either the Cooperative may terminate by giving the Member at least thirty (30) Business Days' written notice that the Member is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity to cure the default. Upon termination Member will ensure the Facility is disconnected from the Cooperative's electric distribution system. The Cooperative may inspect the Facility to ensure proper disconnection from the Cooperative's electric distribution system.

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

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**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG) - CONTINUED**

7. **SALES OF ELECTRIC SERVICE TO MEMBER.** Member agrees to pay for electric service in accordance with the applicable Interconnection Rate and is subject to such other rates as may be applicable under its Tariff.
8. **CREDITS TO MEMBER.** The Cooperative shall credit electric service in accordance with the applicable rate schedule and is subject to such other rates as may be applicable under its Tariff.
9. **RECEIPT OF POLICY.** Member acknowledges that the Interconnection Policy of the Cooperative is found in its Tariff and Business Rules, as may be amended from time to time.
10. **LIMITATION OF LIABILITY AND INDEMNIFICATION.**
  - a. Member assumes full responsibility for electric energy furnished to him or her at and past the Point of Interconnection and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for both injuries to persons, including death resulting therefrom, and damages to property occurring upon the premises owned or operated by Member arising from electric power and energy delivered by Cooperative or in any way arising directly or indirectly from Member's Facility except (i) when the gross negligence or willful misconduct of the Cooperative or its agent or agents was the sole proximate cause of injuries, including death therefrom, to Member or to employees of Member or in the case of a residential Member, to all members of the household; and (ii) as to all other injuries and damages, to the extent that injuries or damages are proximately caused by or result in whole or in part from (a) any gross negligence or willful misconduct of the Cooperative or its agent(s) independent of and unrelated to the maintenance of Cooperative's facilities or any condition on Member's premises or (b) the breach by Cooperative of any provision of any contract regarding purchase and/or sale of electrical energy or service between Cooperative and Member.
  - b. The Cooperative's review process and any inspections are intended as a means to safeguard the Cooperative's facilities and personnel. The Member acknowledges and agrees that any review or acceptance of such plans, specifications and other information by the Cooperative shall not impose any liability on the Cooperative and does not guarantee the adequacy of the Member's equipment or DG facility to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost-effectiveness, safety, durability, or reliability of such installations.
  - c. Insurance and Indemnity. Member may consider obtaining liability insurance which insures Member against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation, and maintenance of the Member's generating equipment. Otherwise, the Cooperative's liability is limited herein and in accordance with its Tariff and Member agrees to indemnify and hold the Cooperative harmless from all claims except as may be specified herein or in the Tariff and Business Rules.
  - d. The Cooperative shall not be liable for either direct or consequential damages resulting from failures, interruptions, or voltage and wave form fluctuations occasioned by causes reasonably beyond the control of the Cooperative, including, but not limited to, acts of God or public enemy, sabotage and/or vandalism, accidents, fire, explosion, labor troubles, strikes, order of any court or judge granted in any bona fide adverse legal proceeding or action, or any order of any commission, tribunal or governmental authority having jurisdiction. For claims resulting from failures, interruptions, or voltage and wave form fluctuations

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Interconnection Agreement for Parallel Operation of Distributed Generation**

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**INTERCONNECTION AGREEMENT FOR PARALLEL OPERATION OF DISTRIBUTED GENERATION (DG) - CONTINUED**

occasioned in whole or in part by the negligence of the Cooperative or its agent(s), the Cooperative shall be liable only for that portion of the damages arising from personal injury, death of persons, or costs of necessary repairs to or reasonable replacement of electrical equipment proximately caused by the gross negligence or willful misconduct of the Cooperative or its agent(s). The Cooperative shall not be liable in any event for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Cooperative does not assume liability for any costs and damages arising from the disruption of the business of the Member.

11. **ENTIRE AGREEMENT.** This agreement constitutes the entire agreement between the parties and supersedes all prior agreements between Member and Cooperative for the service herein described, and the Cooperative, its agents and employees have made no representations, promises, or made any inducements, written or verbal, which are not contained herein. Member agrees that it is not relying on any statements not herein contained.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

**Member:**

By: \_\_\_\_\_

Printed name: \_\_\_\_\_

Date: \_\_\_\_\_

**Pedernales Electric Cooperative, Inc.**

By: \_\_\_\_\_

Printed name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A:**

1. Member's Facility One-Line Diagram
2. Member's Facility map including location of the following:
  - a. Facility disconnects
  - b. Labeling of Facility
  - c. Cooperatives access points to Facility

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Primary Level Service Agreement**

Applicable: Entire Certified Service Area

Effective Date: ~~June-October~~ 1, 2023

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**700.7 PRIMARY LEVEL SERVICE AGREEMENT**



**PRIMARY LEVEL SERVICE AGREEMENT**

This Primary Service Level Agreement is entered into by and between

[Redacted]

herein called "Applicant", and Pedernales Electric Cooperative, Inc. (PEC), herein called "Cooperative" to ensure Applicant recognizes the responsibilities.

This Agreement covers the responsibilities of the Applicant at the following service location:

[Redacted]

**SERVICE CHARACTERISTICS:**

Applicant understands the Cooperative is delivering service to the service location as per Applicant's above request. The Cooperative meter will be the "Point of Delivery". Applicant will be solely responsible for all facilities past the Point of Delivery. This includes ongoing operations and maintenance for Applicant-owned facilities once the Service Location has been energized. The Applicant recognizes that PEC will not perform any work at any time past the Point of Delivery.

Service hereunder will be alternating current, [Redacted] phase, at a frequency of sixty (60) Hz, and power will be delivered to the Member at [Redacted] kV voltage.

**TERM:**

This agreement will become effective and binding when executed by both parties, and will remain in effect while Applicant is receiving service delivered at Primary Service Level. The agreement will no longer be in effect if service disconnection is requested by the Applicant. In the case the Applicant wishes to change service delivery by the Cooperative from Primary Service to Secondary Service Level, the Applicant must contact the Cooperative and apply for a line extension as detailed in the Cooperative's Tariff and Business Rules, Section 400, Line Extension Policy.

**PEDERNALES ELECTRIC COOPERATIVE, INC.:**

Signature: [Redacted]  
Printed name: [Redacted]  
Title: [Redacted]  
Date: [Redacted]

**APPLICANT:**

Signature: [Redacted]  
Printed name: [Redacted]  
Date: [Redacted]

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application for Easement Release**

Applicable: Entire Certified Service Area

Effective Date: ~~June-October~~ 1, 2023

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**700.8 APPLICATION FOR EASEMENT RELEASE**



**APPLICATION FOR EASEMENT RELEASE**

In order to process an application for the release of an easement, the following items must be provided:

1. An Application for Easement Release completed and signed by the Applicant;
2. A survey plat, if available, of the area being requested for release showing all property lines, improvements on property, all easements contained on the property with special reference to the easement to be released;
3. If the easement being requested for release was dedicated and recorded by separate instrument, a copy of said instrument must also accompany the application. These documents are obtainable at the County Clerk's office in the respective county in which the document is recorded;
4. A cover letter may include specific information not included in the above, i.e. special circumstances or conditions such as closing dates, which the Applicant believes will assist PEC staff in the processing of the Application; and
5. A processing fee must accompany the Application; the application fee is to be paid by all Applicants, including governmental entities. This fee is non-refundable regardless of whether the Application is ultimately approved by Pedernales Electric Cooperative, Inc.

Upon receipt of the above items, the Application will be researched and reviewed. Assuming the release may be granted, the Cooperative will prepare the necessary documents; the Applicant will be responsible for recording of the easement release (and any associated recording fees) if necessary. Please allow a minimum of thirty (30) business days for processing, research and review.

If we are unable to grant your request, we will contact you promptly. If you have any questions, please contact the District Engineering Supervisor at the office listed below or call toll free at 877-372-0391.

Please submit your request and direct your questions to:


**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application for Easement Release**

Applicable: Entire Certified Service Area

Effective Date: ~~June-October~~ 1, 2023



**APPLICATION FOR EASEMENT RELEASE - CONTINUED**

Application is hereby made for the release of the following easement as described below:

**The easement is on property legally described as:**

Subdivision/section: \_\_\_\_\_  
Lot and block number: \_\_\_\_\_  
Plat book volume/page: \_\_\_\_\_  
Street address: \_\_\_\_\_

Provide common description of the easement requested for release, indicating the amount of the easement to be released (provide a survey or plat of the area with the area to be released highlighted).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Property owner's name: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Telephone number: \_\_\_\_\_

Note: If multiple owners own the property in which the easement(s) is requested to be released, include the complete names, addresses, and phone numbers of each owner.

Describe proposed use of area to be released:  
\_\_\_\_\_  
\_\_\_\_\_

Additional relevant information for Cooperative's review:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Tariff and Business Rules for Electric Service  
Pedernales Electric Cooperative, Inc.**

**Section 700: Appendix – Application for Easement Release**

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**APPLICATION FOR EASEMENT RELEASE - CONTINUED**

Confirm the Application includes the following items:

- Plat/survey
- Copy of easement(s)
- Processing fee

The undersigned, as owner of the property referenced or agent, acknowledges the information including within the Application is true and accurate. It is further understood that receipt of this Application by Pedernales Electric Cooperative, Inc. does not obligate the Cooperative to release any easements referenced herein. The undersigned acknowledges that the Cooperative's employees or representatives may access and inspect the property referenced in the Application.

**APPLICANT:** \_\_\_\_\_

Signed by: \_\_\_\_\_

Printed name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PEC USE ONLY:**

APPROVED \_\_\_\_\_

UNAPPROVED \_\_\_\_\_

By: \_\_\_\_\_



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**File #:** 2023-233, **Version:** 1

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**Post Member-Election Analysis and Annual Review - D Ballard**

**Submitted By:** Don Ballard

**Department:** General Counsel

**Financial Impact and Cost/Benefit Considerations:** N/A

Pursuant to the Elections Policy and Procedures, Section 9.2, a post-election analysis is provided to the Board.

9.2 Post-Election Analysis Within two months after the Annual Meeting at which Election Results are announced the General Counsel will conduct a review of all facets of the PEC Elections and will present to the Board any recommended modification to PEC Bylaws or Election Policy or Procedures.



# 2023 Annual Election Post-Analysis

as Required by Election Policy and Procedures (EPP), Section 9.2

Michael Butler | Corporate Counsel

# Items for Board Consideration / Approval

Item	Description	EPP Impact	Bylaw Impact	Action/Notes
1	Formalize message on the importance of Rebalancing Director Districts at PEC	N	N	Language drafted to be added to FAQs and Member Relations resources: "As a cooperative, PEC must be democratically controlled by our Members. Rebalancing Director Districts helps keep each district at or near the same number of members. This allows member voting to address growth and equitable considerations for member representation in districts."
2	Include BOD Roles and Responsibilities in ballot books	N	N	Language from Authority and Responsibility Policy: "The Board will faithfully discharge its public trust by conducting its affairs in an ethical and sound business manner consistent with the fiduciary duties of the Directors." Additionally, "The Board of Directors establishes the overall goals and objectives of PEC; reviewing then issuing Board policies which set forth management activities to attain such goals and objectives."
3	EPP change: Clarify process for Candidate and Member contact with QEC	<u>Y</u>	N	Add to 6.2.1.7: "The QEC may, at its sole discretion, allow for Candidate Applicants or Members to present any requested information, as described in this Section 6.2.1.7, at the time, place, and manner of the QEC's choosing."
4	Review Member list file formatting	N	N	Staff is reviewing alternative exporting methods and associate costs for reformatting the membership list output.



PEDERNALES ELECTRIC COOPERATIVE



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**File #:** 2023-236, **Version:** 1

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## List of Board Approved Future Meetings

**Submitted By:** Don Ballard  
**Department:** General Counsel  
**Financial Impact and Cost/Benefit Considerations:** N/A

From time to time, the Board may set the annual Board meetings schedule as attached to this agenda item. Further, the Cooperative's Bylaws describe the types of meetings, notice requirements, and Board quorum as outlined below.

**BYLAWS ARTICLE IV - Meetings of Directors Section 1. Regular Board Meetings:** A regular meeting of the Board of Directors shall be held on the third Monday of each month at the E. Babe Smith Headquarters Building of the Cooperative in Blanco County, Texas, unless another meeting location, time and/or date is set by the Board of Directors ("Regular Board Meeting").

**Section 2. Special Board Meetings:** Special meetings of the Board of Directors ("Special Board Meetings") may be called by the President or any four (4) Directors. The person or persons authorized to call a Special Board Meeting may fix the time and place for the holding of any Special Board Meeting called by them.

**Section 3. Telephonic or Electronic Participation in Board Meetings:** For good cause and with approval of the Board of Directors, a Regular Board Meeting or Special Board Meeting (each a "Board Meeting") may be conducted with Directors participating but not physically present but deemed present in person through a means of communication by which all Directors participating in the Board Meeting may simultaneously hear, reasonably and verifiably identify themselves, and generally simultaneously and instantaneously communicate with each other during the Board Meeting. Directors that are not physically present may deliberate and vote on the question of approving telephonic or electronic participation. A vote to approve telephonic or electronic participation in any Board Meeting is exempt from the notice requirements herein specified. Such Board Meeting shall be compliant with the Cooperative's Open Meetings Policy, and Members shall have the opportunity to monitor the Board Meeting electronically or in person. A Director may be compensated for a Board Meeting at which that Director participated but was not physically present only with Board approval.

**Section 4. Notice:** Notice of the time, place and purpose of any Regular Board Meeting shall be given at least seventy-two (72) hours previous thereto, by written notice, delivered personally, electronically, or by mail, to each Director at the Director's last known address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. Meeting notices and agendas will be posted on the Cooperative's website at least seventy-two (72) hours before each Regular Board Meeting. In an emergency or when there is an urgent necessity, the notice of a Board Meeting or the supplemental notice of a subject added as an item to the agenda for a Board Meeting for which notice has been posted in accordance with this Section is sufficient if it is posted for at least two (2) hours before the Board Meeting is convened. An emergency or an urgent necessity exists only if immediate action is required because of a reasonably unforeseeable situation. The Board of Directors shall clearly identify the emergency or urgent necessity in the notice or supplemental notice under this Section.

**Section 5. Board Quorum:** Four (4) or more Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, except in the case when four (4) or more vacancies exist on the Board, in which case a majority of the Board shall constitute a quorum ("Board Quorum").

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## *2023 Board Meeting Calendar*

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- January 20, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- February 17, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- March 24, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- April 21, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- May 19, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- June 16, 2023 Regular Meeting immediately following the conclusion of the 2023 Annual Membership Meeting on Friday at the PEC Headquarters
- July 21, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- August 18, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- September 15, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- October 20, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- November 17, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters
- December 15, 2023 Regular Meeting at 9:00 am on Friday at the PEC Headquarters



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**File #:** 2023-237, **Version:** 1

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**Board Planning Calendar (Written Report in Materials)**

**Submitted By:** Don Ballard

**Department:** General Counsel

**Financial Impact and Cost/Benefit Considerations:** N/A

In connection with agenda planning and strategy, the Cooperative provides an annual calendar of all agenda items to ensure compliance and governance matters. The annual calendar also includes ad hoc items.

### 3-Month Outlook Planning Calendar - September 2023 through November 2023

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Reoccurring/ Ad-hoc
<b>SEP</b>						
1	9	Approval Resolution - Approval for Renewal of 2024 Medical Insurance Benefits	VP, Workforce & Safety Operations	September Regular BOD Meeting	Compliance	Reoccurring
2	9	Approval Resolution - Approval of Amendment to ARCOS Contract	Engineering	September Regular BOD Meeting	Strategic	Ad-hoc
3	9	Approval Resolution - Approval of Amendments and Restatement of Employees' 401(k) Savings Plan	VP, Workforce & Safety Operations	September Regular BOD Meeting	Compliance	Reoccurring
4	9	Approval Resolution - Approval of Construction Contract for Yarrington Substation	Engineering	September Regular BOD Meeting	Strategic	Ad-hoc
5	9	Approval Resolution – Approval of Directive(s) for Delegates Regarding Upcoming NRECA Regional Meeting	External Relations	September Regular BOD Meeting	Strategic	Reoccurring
6	9	Approval Resolution - Approval of Security Guard Services Agreement	Operations	September Regular BOD Meeting	Strategic	Ad-hoc
7	9	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	September Regular BOD Meeting	Strategic	Reoccurring
8	9	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	September Regular BOD Meeting	Strategic	Reoccurring
9	9	Chief Executive Officer Action Plan and Annual Performance Goals Quarterly Update	Board of Directors	September Regular BOD Meeting	Compliance	Quarterly
10	9	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	September Regular BOD Meeting	Strategic	Reoccurring
11	9	Distribution System Planning Update	VP, Engineering	September Regular BOD Meeting	Strategic	JUN/SEP
12	9	Draft Resolution – Approval of 2024 Power Supply Plan	VP, Markets	September Regular BOD Meeting	Compliance	Reoccurring
13	9	Draft Resolution – Approval of 2024 Rate Plan	VP, Markets	September Regular BOD Meeting	Compliance	Reoccurring
14	9	Draft Resolution – Approval of 457(b) Plan	VP, Workforce & Safety Operations	September Regular BOD Meeting	Compliance	Ad-hoc
15	9	Draft Resolution – Approval of Election Policy and Procedures Amendments Related to 2023 Annual Director Post-Election Analysis	General Counsel	September Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
16	9	Draft Resolution - Approval of Vegetation Management Master Services Contracts	Operations	September Regular BOD Meeting	Strategic	Ad-hoc
17	9	Draft Resolution - Approval to Establish 2024 Annual Membership Meeting Date and Location	General Counsel	September Regular BOD Meeting	Strategic	Reoccurring
18	9	Draft Resolution - Review and Approval of Capital Credits Policy	Chief Financial Officer	September Regular BOD Meeting	Compliance	Reoccurring
19	9	Draft Resolution - Review and Approval of Equity Management Policy	Chief Financial Officer	September Regular BOD Meeting	Compliance	Reoccurring
20	9	Markets Monthly Report	VP, Markets	September Regular BOD Meeting	Strategic	Reoccurring
21	9	Personnel Matters	VP, Workforce & Safety Operations	September Regular BOD Meeting	Strategic	Reoccurring
22	9	Safety/Security	VP, Workforce & Safety Operations	September Regular BOD Meeting	Strategic	Reoccurring
23	9	Approval Resolution – Recommend Approval by Board of Directors of 2022 IRS Form 990 - Bollinger, Sears, Gilbert & Moss, LLP	Audit Committee	September Audit Committee Meeting	Compliance	Reoccurring
24	9	Approval Resolution – Recommend Approval by Board of Directors of Review and Amendments to Audit Committee Charter	Audit Committee	September Audit Committee Meeting	Compliance	Ad-hoc
<b>OCT</b>						
25	10	Annual Review of Strategic Plan	Board President	October Regular BOD Meeting	Strategic	Reoccurring
26	10	Approval Resolution - Approval of 2022 IRS Form 990 - Bollinger, Sears, Gilbert & Moss, LLP	Tax & Regulatory Accounting Manager	October Regular BOD Meeting	Compliance	Reoccurring
27	10	Approval Resolution – Approval of 2024 Power Supply Plan	VP, Markets	October Regular BOD Meeting	Compliance	Reoccurring
28	10	Approval Resolution – Approval of 2024 Rate Plan	VP, Markets	October Regular BOD Meeting	Compliance	Reoccurring
29	10	Approval Resolution – Approval of 457(b) Plan	VP, Workforce & Safety Operations	October Regular BOD Meeting	Compliance	Ad-hoc
30	10	Approval Resolution – Approval of Election Policy and Procedures Amendments Related to 2023 Annual Director Post-Election Analysis	General Counsel	October Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring

### 3-Month Outlook Planning Calendar - September 2023 through November 2023

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Reoccurring/ Ad-hoc
<b>OCT</b>						
31	10	Approval Resolution – Approval to Establish 2024 Annual Membership Meeting Date and Location	General Counsel	October Regular BOD Meeting	Compliance	Reoccurring
32	10	Approval Resolution - Review and Approval of Amendments to Audit Committee Charter	Chief Financial Officer	October Regular BOD Meeting	Compliance	Ad-hoc
33	10	Approval Resolution - Review and Approval of Capital Credits Policy	Chief Financial Officer	October Regular BOD Meeting	Compliance	Reoccurring
34	10	Approval Resolution - Review and Approval of Equity Management Policy	Chief Financial Officer	October Regular BOD Meeting	Compliance	Reoccurring
35	10	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	October Regular BOD Meeting	Strategic	Reoccurring
36	10	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	October Regular BOD Meeting	Strategic	Reoccurring
37	10	Approval Resolution - Approval of Vegetation Management Master Services Contracts	Operations	October Regular BOD Meeting	Strategic	Ad-hoc
38	10	Audit Plan Report 2024	Chief Financial Officer	October Regular BOD Meeting	Strategic	Reoccurring
39	10	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	October Regular BOD Meeting	Strategic	Reoccurring
40	10	Draft Resolution – Approval of 2024 Operating Budget and Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts, and Real Estate	Chief Financial Officer	October Regular BOD Meeting	Compliance	Reoccurring
41	10	Enterprise Risk Management (ERM) Update	VP, Compliance & Regulatory	October Regular BOD Meeting	Strategic	Annual
42	10	Markets Monthly Report	VP, Markets	October Regular BOD Meeting	Strategic	Reoccurring
43	10	Personnel Matters	VP, Workforce & Safety Operations	October Regular BOD Meeting	Strategic	Reoccurring
44	10	Plan Administration Committee (PAC) Update - Michael Hansen, Drew McCorkle, CAPTRUST Advisors	VP, Workforce & Safety Operations	October Regular BOD Meeting	Compliance	Reoccurring
45	10	Safety/Security	VP, Workforce & Safety Operations	October Regular BOD Meeting	Strategic	Reoccurring
46	10	CFC Meeting Districts 8&10 (New Orleans, LA)	General Counsel	Oct 18-20, 2023	Informational	Reoccurring
47	10	NRECA Regional Meetings 8&10 (New Orleans, LA)	General Counsel	Oct 18-20, 2023	Informational	Reoccurring
<b>NOV</b>						
48	11	Approval Resolution – Approval of 2024 Board of Directors List of Proposed Future Meetings	Board President	November Regular BOD Meeting	Compliance	Reoccurring
49	11	Approval Resolution – Approval of 2024 Operating Budget and Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts, and Real Estate	Chief Financial Officer	November Regular BOD Meeting	Compliance	Reoccurring
50	11	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	November Regular BOD Meeting	Strategic	Reoccurring
51	11	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	November Regular BOD Meeting	Strategic	Reoccurring
52	11	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	November Regular BOD Meeting	Strategic	Reoccurring
53	11	Draft Resolution – Approval of 2024 Election Communications Plan	External Relations	November Regular BOD Meeting	Compliance	Reoccurring
54	11	Draft Resolution – Approval of 2024 Election Timeline	General Counsel	November Regular BOD Meeting	Compliance	Reoccurring
55	11	Draft Resolution - Approval of Capital Credits Distribution and Payment during Calendar Year 2024	Chief Financial Officer	November Regular BOD Meeting	Compliance	Reoccurring
56	11	Ethics and Compliance Update	Ethics & Compliance Officer	November Regular BOD Meeting	Compliance	Biannual
57	11	Markets Monthly Report	VP, Markets	November Regular BOD Meeting	Strategic	Reoccurring
58	11	Personnel Matters	VP, Workforce & Safety Operations	November Regular BOD Meeting	Strategic	Reoccurring
59	11	Recognition of Veterans Day	Board President	November Regular BOD Meeting	Compliance	Reoccurring
60	11	Safety/Security	VP, Workforce & Safety Operations	November Regular BOD Meeting	Strategic	Reoccurring

# PEC Annual Planning Calendar

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Reoccurring/ Ad-hoc
1	1	2023 Election Timeline Update	General Counsel	January Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
2	1	Approval Resolution – Approval of 2023 Key Performance Indicators Plan Methodology	Chief Operations Officer	January Regular BOD Meeting	Strategic	Reoccurring
3	1	Approval Resolution – Approval of 2023 NRECA Annual Membership Dues	Chief Executive Officer	January Regular BOD Meeting	Compliance	Reoccurring
4	1	Approval Resolution - Approval of Amendments to the Tariff and Business Rules - Dual Feed Rider	VP, Markets	January Regular BOD Meeting	Strategic	Ad-hoc
5	1	Approval Resolution - Approval of Amendments to the Tariff and Business Rules - Industrial Rate Annual Update	VP, Markets	January Regular BOD Meeting	Strategic	Ad-hoc
6	1	Approval Resolution - Approval of Amendments to the Tariff and Business Rules - Interconnect Rate Annual Update	VP, Markets	January Regular BOD Meeting	Strategic	Ad-hoc
7	1	Approval Resolution - Approval of Construction Contract for Hero Way Substation	Engineering	January Regular BOD Meeting	Strategic	Ad-hoc
8	1	Approval Resolution – Approval of TEC Annual Membership Dues	Chief Executive Officer	January Regular BOD Meeting	Strategic	Reoccurring
9	1	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	January Regular BOD Meeting	Strategic	Reoccurring
10	1	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	January Regular BOD Meeting	Strategic	Reoccurring
11	1	Cooperative Financial Update	Chief Financial Officer	January Regular BOD Meeting	Strategic	Reoccurring
12	1	Cooperative Operations Update	Chief Operations Officer	January Regular BOD Meeting	Strategic	Reoccurring
13	1	Cooperative Update	Chief Executive Officer	January Regular BOD Meeting	Strategic	Reoccurring
14	1	Draft Resolution – Approval of 2023 NRECA Annual Meeting Voting Delegates, 2023 CFC District Voting Delegates, and 2023 NRTC Voting Delegates	Board President	January Regular BOD Meeting	Strategic	Reoccurring
15	1	Draft Resolution – Approval for Directing the General Counsel to Prepare 2023 Proposed Non-Director Election Ballot Item(s)	General Counsel	January Regular BOD Meeting	Strategic	Reoccurring
16	1	Draft Resolution – Approval of Appointments to 2023 Qualifications and Elections Committee	General Counsel	January Regular BOD Meeting	Compliance	Reoccurring
17	1	Markets Monthly Report	VP, Markets	January Regular BOD Meeting	Strategic	Reoccurring
18	1	Personnel Matters	VP, Workforce & Safety Operations	January Regular BOD Meeting	Strategic	Reoccurring
19	1	Safety/Security	VP, Workforce & Safety Operations	January Regular BOD Meeting	Strategic	Reoccurring
20	1	Transmission Operations and Control Center Update	Chief Operations Officer	January Regular BOD Meeting	Strategic	Reoccurring
21	2	2023 Election Timeline Update	General Counsel	February Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
22	2	Approval Resolution – Approval for Directing the General Counsel to Prepare 2023 Proposed Non-Director Election Ballot Item(s)	General Counsel	February Regular BOD Meeting	Strategic	Reoccurring
23	2	Approval Resolution - Approval of 2022 Capital Budget Amendment	Chief Financial Officer	February Regular BOD Meeting	Compliance	Ad-hoc
24	2	Approval Resolution – Approval of Appointments to 2023 Qualifications and Elections Committee (QEC)	General Counsel	February Regular BOD Meeting	Compliance	Reoccurring
25	2	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	February Regular BOD Meeting	Strategic	Reoccurring
26	2	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	February Regular BOD Meeting	Strategic	Reoccurring
27	2	Cooperative Financial Update	Chief Financial Officer	February Regular BOD Meeting	Strategic	Reoccurring
28	2	Cooperative Operations Update	Chief Operations Officer	February Regular BOD Meeting	Compliance	Reoccurring
29	2	Cooperative Update	Chief Executive Officer	February Regular BOD Meeting	Strategic	Reoccurring
30	2	Cyber Security Semiannual Update	Compliance & Regulatory	February Regular BOD Meeting	Strategic	Biannual
31	2	Draft Resolution - Approval of Construction Contract for Junction Substation Upgrade	Engineering	February Regular BOD Meeting	Strategic	Ad-hoc
32	2	Draft Resolution - Approval of Construction Contract for Leander to Nameless Transmission Line	Engineering	February Regular BOD Meeting	Strategic	Ad-hoc
33	2	Draft Resolution - Approval of Materials Purchase for Paleface to Marshall Ford Transmission Line Project	Engineering	February Regular BOD Meeting	Strategic	Ad-hoc
34	2	Key Performance Indicator (KPI) of 2022 Period 2 Results	Chief Operations Officer	February Regular BOD Meeting	Strategic	Reoccurring
35	2	Markets Monthly Report	VP, Markets	February Regular BOD Meeting	Strategic	Reoccurring
36	2	Personnel Matters	VP, Workforce & Safety Operations	February Regular BOD Meeting	Strategic	Reoccurring

# PEC Annual Planning Calendar

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Recurring/ Ad-hoc
37	2	Real Estate Update	Chief Operations Officer	February Regular BOD Meeting	Strategic	Bi-Annual
38	2	Safety/Security	VP, Workforce & Safety Operations	February Regular BOD Meeting	Strategic	Reoccurring
39	2	Transmission Operations and Control Center Update	Chief Operations Officer	February Regular BOD Meeting	Strategic	Reoccurring
40	3	2023 Election Timeline Update	General Counsel	March Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
41	3	Approval Resolution - Approval of Construction Contract for Junction Substation Upgrade	Engineering	March Regular BOD Meeting	Strategic	Ad-hoc
42	3	Approval Resolution - Approval of Construction Contract for Leander to Nameless Transmission Line	Engineering	March Regular BOD Meeting	Strategic	Ad-hoc
43	3	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	March Regular BOD Meeting	Strategic	Reoccurring
44	3	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	March Regular BOD Meeting	Strategic	Reoccurring
45	3	Chief Executive Officer Action Plan and Annual Performance Goals Quarterly Update	Board of Directors	March Regular BOD Meeting	Compliance	Quarterly
46	3	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	March Regular BOD Meeting	Strategic	Reoccurring
47	3	Draft Resolution – Approval and Certification of 2023 Election Ballot	General Counsel	March Regular BOD Meeting	Compliance	Reoccurring
48	3	Draft Resolution - Approval of 2023 Annual Membership Meeting Agenda	General Counsel	March Regular BOD Meeting	Compliance	Reoccurring
49	3	Draft Resolution – Approval of 2023 Cooperative Response Center (CRC) Voting Delegates	VP, External Relations	March Regular BOD Meeting	Compliance	Reoccurring
50	3	Draft Resolution - Review and Approval of Defined Benefit Plan Funding Policy Amendments	Chief Financial Officer	March Regular BOD Meeting	Compliance	Reoccurring
51	3	Markets Monthly Report	VP, Markets	March Regular BOD Meeting	Strategic	Reoccurring
52	3	Personnel Matters	VP, Workforce & Safety Operations	March Regular BOD Meeting	Strategic	Reoccurring
53	3	Safety/Security	VP, Workforce & Safety Operations	March Regular BOD Meeting	Strategic	Reoccurring
54	3	Transmission Operations and Control Center Update	Chief Operations Officer	March Regular BOD Meeting	Strategic	Reoccurring
55	4	2022 Financial Audit	Audit Committee	April Audit Committee Meeting	Compliance	Reoccurring
56	4	Approval Resolution – Recommendation of Acceptance of the Selection of Independent Auditor and Tax Services	Audit Committee	April Audit Committee Meeting	Compliance	Ad-hoc
57	4	2023 Election Timeline Update	General Counsel	April Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
58	4	Presentation of 2022 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM)	Audit Committee	April Audit Committee Meeting	Compliance	Reoccurring
59	4	Review of Internal Audit Report Provided by Sirius Solutions	Audit Committee	April Audit Committee Meeting	Compliance	Ad-hoc
60	4	Approval Resolution – Approval and Certification of 2023 Election Ballot	General Counsel	April Regular BOD Meeting	Compliance	Reoccurring
61	4	Approval Resolution - Approval of 2022 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM)	Chief Financial Officer	April Regular BOD Meeting	Compliance	Reoccurring
62	4	Approval Resolution – Approval of 2023 Annual Membership Meeting Agenda	General Counsel	April Regular BOD Meeting	Strategic	Reoccurring
63	4	Approval Resolution – Approval of 2023 Cooperative Response Center (CRC) Voting Delegates	VP, External Relations	April Regular BOD Meeting	Compliance	Reoccurring
64	4	Approval Resolution – Approval of Director Candidates for 2023 Pedernales Electric Cooperative Board of Director’s Election Ballot	General Counsel	April Regular BOD Meeting	Compliance	Reoccurring
65	4	Approval Resolution - Review and Approval of Defined Benefit Plan Funding Policy Amendments	Chief Financial Officer	April Regular BOD Meeting	Compliance	Reoccurring
66	4	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	April Regular BOD Meeting	Strategic	Reoccurring
67	4	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	April Regular BOD Meeting	Strategic	Reoccurring
68	4	Audit Plan Report 2023	Chief Financial Officer	April Regular BOD Meeting	Strategic	Reoccurring
69	4	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	April Regular BOD Meeting	Strategic	Reoccurring
70	4	Draft Resolution - Approval of Advanced Metering Infrastructure (AMI) Mass Exchange Contract	VP, Engineering	April Regular BOD Meeting	Strategic	Ad-hoc
71	4	Draft Resolution - Approval of Advanced Metering Infrastructure (AMI) Meter Supply Agreement	VP, Engineering	April Regular BOD Meeting	Strategic	Ad-hoc
72	4	Draft Resolution - Approval of Advanced Metering Infrastructure (AMI) Software License Agreement	VP, Engineering	April Regular BOD Meeting	Strategic	Ad-hoc
73	4	Draft Resolution - Approval of Power Supply Contractual Resources	VP, Markets	April Regular BOD Meeting	Strategic	Ad-hoc

# PEC Annual Planning Calendar

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Reoccurring/ Ad-hoc
74	4	Draft Resolution - Approval of Power Transformer Contract Extension	VP, Engineering	April Regular BOD Meeting	Strategic	Ad-hoc
75	4	Draft Resolution - Approval to Amend the 2023 PEC Budget	Chief Financial Officer	April Regular BOD Meeting	Strategic	Ad-hoc
76	4	Markets Monthly Report	VP, Markets	April Regular BOD Meeting	Strategic	Reoccurring
77	4	Personnel Matters	VP, Workforce & Safety Operations	April Regular BOD Meeting	Strategic	Reoccurring
78	4	Qualifications and Elections Committee (QEC) Recommendation of Qualified Candidates - QEC Rep.	General Counsel	April Regular BOD Meeting	Compliance	Reoccurring
79	4	Report on Property, Liability, and Corporate Insurance Policies	Compliance & Regulatory	April Regular BOD Meeting	Strategic	Annual
80	4	Safety/Security	VP, Workforce & Safety Operations	April Regular BOD Meeting	Strategic	Reoccurring
81	4	Transmission Business Update	Engineering/ Compliance & Regulatory	April Regular BOD Meeting	Strategic	Reoccurring
82	5	2023 Annual Membership Meeting Overview	External Relations	May Regular BOD Meeting	Strategic	Ad-hoc
83	5	2023 Election Timeline Update	General Counsel	April Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
84	5	Approval Resolution - Approval of Advanced Metering Infrastructure (AMI) Mass Exchange Contract	VP, Engineering	May Regular BOD Meeting	Strategic	Ad-hoc
85	5	Approval Resolution - Approval of Advanced Metering Infrastructure (AMI) Meter Supply Agreement	VP, Engineering	May Regular BOD Meeting	Strategic	Ad-hoc
86	5	Approval Resolution - Approval of Advanced Metering Infrastructure (AMI) Software License Agreement	VP, Engineering	May Regular BOD Meeting	Strategic	Ad-hoc
87	5	Approval Resolution - Approval of Power Supply Contractual Resources	VP, Markets	May Regular BOD Meeting	Strategic	Ad-hoc
88	5	Approval Resolution - Review and Approval of 2023 CEO Performance Evaluation and Compensation	Board of Directors	May Regular BOD Meeting	Compliance	Reoccurring
89	5	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	May Regular BOD Meeting	Strategic	Reoccurring
90	5	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	May Regular BOD Meeting	Strategic	Reoccurring
91	5	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	May Regular BOD Meeting	Strategic	Reoccurring
92	5	Draft Resolution - Approval of Construction Contract for Paleface to Marshall Ford Transmission Project	VP, Engineering	May Regular BOD Meeting	Strategic	Ad-hoc
93	5	Draft Resolution - Approval of Pole Purchase for Lago Vista to Nameless Transmission Project	VP, Engineering	May Regular BOD Meeting	Strategic	Ad-hoc
94	5	Draft Resolution – Review and Approval of Privacy Policy	Compliance & Regulatory	May Regular BOD Meeting	Compliance	Annual Reoccurring
95	5	Markets Monthly Report	VP, Markets	May Regular BOD Meeting	Strategic	Reoccurring
96	5	Moment of Silence in Commemoration of Memorial Day	Board President	May Regular BOD Meeting	Strategic	Reoccurring
97	5	PEC's 85th Anniversary Plans	External Relations	May Regular BOD Meeting	Strategic	Ad-hoc
98	5	Personnel Matters	VP, Workforce & Safety Operations	May Regular BOD Meeting	Strategic	Reoccurring
99	5	Safety/Security	VP, Workforce & Safety Operations	May Regular BOD Meeting	Strategic	Reoccurring
100	6	Acknowledgement and Seating of Directors Elected at Annual Membership Meeting	General Counsel	June Regular BOD Meeting	Compliance - Bylaws	Reoccurring
101	6	Approval Resolution - Approval of Texas Electric Cooperative (TEC) Delegates for TEC Annual Meeting	Board President	June Regular BOD Meeting	Compliance - TEC	Reoccurring
102	6	Approval Resolution – Proposal for Approval of Allocation of 2022 Net Margins to Capital Credits	Chief Financial Officer	June Regular BOD Meeting	Strategic	Reoccurring
103	6	Approval Resolution – Review and Approval of Privacy Policy	Compliance & Regulatory	June Regular BOD Meeting	Compliance	Reoccurring
104	6	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	June Regular BOD Meeting	Strategic	Reoccurring
105	6	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	June Regular BOD Meeting	Strategic	Reoccurring
106	6	Chief Executive Officer Action Plan and Annual Performance Goals Quarterly Update	Board of Directors	June Regular BOD Meeting	Compliance	Quarterly
107	6	Conduct Annual Membership Meeting	Chief Executive Officer	June Annual Membership Meeting	Compliance - Bylaws	Reoccurring
108	6	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	June Regular BOD Meeting	Strategic	Reoccurring
109	6	Draft Resolution - Approval to Renew Contract for Election Services Provider	Legal Services	June Regular BOD Meeting	Compliance	Reoccurring
110	6	Markets Monthly Report	VP, Markets	June Regular BOD Meeting	Strategic	Reoccurring

# PEC Annual Planning Calendar

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Recurring/ Ad-hoc
111	6	Personnel Matters	VP, Workforce & Safety Operations	June Regular BOD Meeting	Strategic	Reoccurring
112	6	Real Estate Plan Update	Chief Operations Officer	June Regular BOD Meeting	Strategic	Ad-hoc
113	6	Receipt of Conflict of Interest Disclosure Form, Director Affirmation, and Directors' Code of Conduct Acknowledgement	General Counsel	June Annual Membership Meeting	Compliance - Code of Conduct, Conflict of Interest Policies	Reoccurring
114	6	Safety/Security	VP, Workforce & EXTERNAL RELATIONS/CFO/COO	June Regular BOD Meeting	Strategic	Reoccurring
115	6	Storm Preparedness Update	General Counsel	June Regular BOD Meeting Jun 17-19, 2023	Strategic	Ad-hoc
116	6	CFC Forum 2023 (Seattle, WA)	General Counsel	Annual Membership Meeting Minutes and for first Regular or Special Board Meeting Minutes	Informational	Reoccurring
117	7	Approval Resolution – Approval of Written Certification of the Election Results	General Counsel	Annual Membership Meeting Minutes and for first Regular or Special Board Meeting Minutes	Compliance - Election Policy and Procedures	Reoccurring
118	7	Annual Review of Conflicts of Interest Certification and Disclosure Forms from Directors	General Counsel	July Regular BOD Meeting	Compliance - Bylaws	Reoccurring
119	7	Approval Resolution - Approval of Construction Contract for Paleface to Marshall Ford Transmission Project	VP, Engineering	July Regular BOD Meeting	Strategic	Ad-hoc
120	7	Approval Resolution – Approval of the Appointment of Audit Committee and Audit Committee Chairperson	General Counsel	July Regular BOD Meeting	Compliance - Bylaws	Reoccurring
121	7	Approval Resolution – Approval to Appoint CFC Voting Delegates for CFC District Meeting, October 19, 2023	Board President	July Regular BOD Meeting	Compliance CFC	Reoccurring
122	7	Approval Resolution - Approval to Appoint NRECA Voting Delegates for NRECA Regional Meeting, October 18-20, 2023	Board President	July Regular BOD Meeting	Compliance NRECA	Reoccurring
123	7	Approval Resolution – Approval to Renew Contract for Election Services Provider	Legal Services	July Regular BOD Meeting	Compliance	Reoccurring
124	7	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	July Regular BOD Meeting	Strategic	Reoccurring
125	7	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	July Regular BOD Meeting	Strategic	Reoccurring
126	7	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	July Regular BOD Meeting	Strategic	Reoccurring
127	7	Distribution System Planning Update	VP, Engineering	July Regular BOD Meeting	Strategic	JUL/SEP
128	7	Draft Resolution - Approval of 2023 Budget Amendments	Controller	July Regular BOD Meeting	Compliance	Ad-hoc
129	7	Draft Resolution - Approval of Pole Contacts Amendment	VP, Engineering	July Regular BOD Meeting	Strategic	Ad-hoc
130	7	Draft Resolution - Approval of Power Supply Contract Amendment	VP, Markets	July Regular BOD Meeting	Strategic	Ad-hoc
131	7	Draft Resolution – Review and Approval of Board Meetings Policy	General Counsel	July Regular BOD Meeting	Compliance	Reoccurring
132	7	Election - Office of President	General Counsel	July Regular BOD Meeting	Compliance	Reoccurring
133	7	Election - Office of Secretary and Treasurer	General Counsel	July Regular BOD Meeting	Compliance	Reoccurring
134	7	Election - Office of Vice President	General Counsel	July Regular BOD Meeting	Compliance	Reoccurring
135	7	Election Update - Annual Voter Turnout	Legal Services	July Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
136	7	Key Performance Indicator (KPI) Update of 2023 Period 1 Results	Chief Operations Officer	July Regular BOD Meeting	Strategic	Reoccurring
137	7	Markets Monthly Report	VP, Markets	July Regular BOD Meeting	Strategic	Reoccurring
138	7	Personnel Matters	VP, Workforce & Safety Operations	July Regular BOD Meeting	Strategic	Reoccurring
139	7	Safety/Security	VP, Workforce & General Counsel	July Regular BOD Meeting	Strategic	Reoccurring
140	7	TEC Annual Meeting (Kalahari Resort, Round Rock, TX)	General Counsel	Jul 30, 2023-Aug 2, 2023	Informational	Reoccurring
141	7	Texas Public Power Association Annual Meeting (Westin Riverwalk, San Antonio, TX)	General Counsel	Jul 24-26, 2023	Informational	Reoccurring
142	8	2023 Property (Real and Personal) Tax Appraisal and Assessment Update	Tax & Regulatory Accounting Manager	August Regular BOD Meeting	Strategic	Reoccurring
143	8	Approval Resolution - Amendment to Authorization of Filing Application with Public Utility Commission for Service Boundary	Legal Services	August Regular BOD Meeting	Compliance	Ad-hoc
144	8	Approval Resolution - Approval of 2023 Budget Amendments	Controller	August Regular BOD Meeting	Compliance	Ad-hoc
145	8	Approval Resolution - Approval of Pole Contacts Amendment	VP, Engineering	August Regular BOD Meeting	Strategic	Ad-hoc
146	8	Approval Resolution - Approval of Pole Purchase for Lago Vista to Nameless Transmission Project	VP, Engineering	August Regular BOD Meeting	Strategic	Ad-hoc
147	8	Approval Resolution - Approval of Power Supply Contract Amendment	VP, Markets	August Regular BOD Meeting	Strategic	Ad-hoc
148	8	Approval Resolution – Review and Approval of Board Meetings Policy	General Counsel	August Regular BOD Meeting	Compliance	Reoccurring
149	8	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	August Regular BOD Meeting	Strategic	Reoccurring

# PEC Annual Planning Calendar

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Reoccurring/ Ad-hoc
150	8	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	August Regular BOD Meeting	Strategic	Reoccurring
151	8	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	August Regular BOD Meeting	Strategic	Reoccurring
152	8	Corporate Initiatives and CEO Action Items Update	Chief Executive Officer	August Regular	Strategic	Reoccurring
153	8	Cyber Security Semiannual Update	Compliance & Regulatory	August Regular BOD Meeting	Strategic	Biannual
154	8	Directors’ Conflict of Interest Training and Directors’ Code of Conduct Training	Board Counsel	August Regular BOD Meeting	Compliance	Reoccurring
155	8	Draft Resolution - Approval for Renewal of 2024 Medical Insurance Benefits	VP, Workforce & Safety Operations	August Regular BOD Meeting	Compliance	Reoccurring
156	8	Draft Resolution - Approval of Amendment to ARCOS Contract	Engineering	August Regular BOD Meeting	Strategic	Ad-hoc
157	8	Draft Resolution - Approval of Amendments and Restatement of Employees’ 401(k) Savings Plan	VP, Workforce & Safety Operations	August Regular BOD Meeting	Compliance	Reoccurring
158	8	Draft Resolution - Approval of Construction Contract for Yarrington Substation	Engineering	August Regular BOD Meeting	Strategic	Ad-hoc
159	8	Draft Resolution - Approval of Security Guard Services Agreement	Operations	August Regular BOD Meeting	Strategic	Ad-hoc
160	8	Markets Monthly Report	VP, Markets	August Regular BOD Meeting	Strategic	Reoccurring
161	8	Personnel Matters	VP, Workforce & Safety Operations	August Regular BOD Meeting	Strategic	Reoccurring
162	8	Post Member-Election Analysis and Annual Review	General Counsel	August Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
163	8	Safety/Security	VP, Workforce & Safety Operations	August Regular BOD Meeting	Strategic	Reoccurring
164	9	Approval Resolution - Approval for Renewal of 2024 Medical Insurance Benefits	VP, Workforce & Safety Operations	September Regular BOD Meeting	Compliance	Reoccurring
165	9	Approval Resolution - Approval of Amendment to ARCOS Contract	Engineering	September Regular BOD Meeting	Strategic	Ad-hoc
166	9	Approval Resolution - Approval of Amendments and Restatement of Employees’ 401(k) Savings Plan	VP, Workforce & Safety Operations	September Regular BOD Meeting	Compliance	Reoccurring
167	9	Approval Resolution - Approval of Construction Contract for Yarrington Substation	Engineering	September Regular BOD Meeting	Strategic	Ad-hoc
168	9	Approval Resolution – Approval of Directive(s) for Delegates Regarding Upcoming NRECA Regional Meeting	External Relations	September Regular BOD Meeting	Strategic	Reoccurring
169	9	Approval Resolution - Approval of Security Guard Services Agreement	Operations	September Regular BOD Meeting	Strategic	Ad-hoc
170	9	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	September Regular BOD Meeting	Strategic	Reoccurring
171	9	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	September Regular BOD Meeting	Strategic	Reoccurring
172	9	Chief Executive Officer Action Plan and Annual Performance Goals Quarterly Update	Board of Directors	September Regular BOD Meeting	Compliance	Quarterly
173	9	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	September Regular BOD Meeting	Strategic	Reoccurring
174	9	Distribution System Planning Update	VP, Engineering	September Regular BOD Meeting	Strategic	JUN/SEP
175	9	Draft Resolution – Approval of 2024 Power Supply Plan	VP, Markets	September Regular BOD Meeting	Compliance	Reoccurring
176	9	Draft Resolution – Approval of 2024 Rate Plan	VP, Markets	September Regular BOD Meeting	Compliance	Reoccurring
177	9	Draft Resolution – Approval of 457(b) Plan	VP, Workforce & Safety Operations	September Regular BOD Meeting	Compliance	Ad-hoc
178	9	Draft Resolution – Approval of Election Policy and Procedures Amendments Related to 2023 Annual Director Post-Election Analysis	General Counsel	September Regular BOD Meeting	Compliance - Election Policy and Procedures	Reoccurring
179	9	Draft Resolution - Approval of Vegetation Management Master Services Contracts	Operations	September Regular BOD Meeting	Strategic	Ad-hoc
180	9	Draft Resolution - Approval to Establish 2024 Annual Membership Meeting Date and Location	General Counsel	September Regular BOD Meeting	Strategic	Reoccurring
181	9	Draft Resolution - Review and Approval of Capital Credits Policy	Chief Financial Officer	September Regular BOD Meeting	Compliance	Reoccurring
182	9	Draft Resolution - Review and Approval of Equity Management Policy	Chief Financial Officer	September Regular BOD Meeting	Compliance	Reoccurring
183	9	Markets Monthly Report	VP, Markets	September Regular BOD Meeting	Strategic	Reoccurring
184	9	Personnel Matters	VP, Workforce & Safety Operations	September Regular BOD Meeting	Strategic	Reoccurring
185	9	Safety/Security	VP, Workforce & Safety Operations	September Regular BOD Meeting	Strategic	Reoccurring
186	9	Approval Resolution – Recommend Approval by Board of Directors of 2022 IRS Form 990 - Bollinger, Sears, Gilbert & Moss, LLP	Audit Committee	September Audit Committee Meeting	Compliance	Reoccurring

# PEC Annual Planning Calendar

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Recurring/ Ad-hoc
187	9	Approval Resolution – Recommend Approval by Board of Directors of Review and Amendments to Audit Committee Charter	Audit Committee	September Audit Committee Meeting	Compliance	Ad-hoc
188	10	Annual Review of Strategic Plan	Board President	October Regular BOD Meeting	Strategic	Recurring
189	10	Approval Resolution - Approval of 2022 IRS Form 990 - Bollinger, Sears, Gilbert & Moss, LLP	Tax & Regulatory Accounting Manager	October Regular BOD Meeting	Compliance	Recurring
190	10	Approval Resolution – Approval of 2024 Power Supply Plan	VP, Markets	October Regular BOD Meeting	Compliance	Recurring
191	10	Approval Resolution – Approval of 2024 Rate Plan	VP, Markets	October Regular BOD Meeting	Compliance	Recurring
192	10	Approval Resolution – Approval of 457(b) Plan	VP, Workforce & Safety Operations	October Regular BOD Meeting	Compliance	Ad-hoc
193	10	Approval Resolution – Approval of Election Policy and Procedures Amendments Related to 2023 Annual Director Post-Election Analysis	General Counsel	October Regular BOD Meeting	Compliance - Election Policy and Procedures	Recurring
194	10	Approval Resolution – Approval to Establish 2024 Annual Membership Meeting Date and Location	General Counsel	October Regular BOD Meeting	Compliance	Recurring
195	10	Approval Resolution - Review and Approval of Amendments to Audit Committee Charter	Chief Financial Officer	October Regular BOD Meeting	Compliance	Ad-hoc
196	10	Approval Resolution - Review and Approval of Capital Credits Policy	Chief Financial Officer	October Regular BOD Meeting	Compliance	Recurring
197	10	Approval Resolution - Review and Approval of Equity Management Policy	Chief Financial Officer	October Regular BOD Meeting	Compliance	Recurring
198	10	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	October Regular BOD Meeting	Strategic	Recurring
199	10	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	October Regular BOD Meeting	Strategic	Recurring
200	10	Approval Resolution - Approval of Vegetation Management Master Services Contracts	Operations	October Regular BOD Meeting	Strategic	Ad-hoc
201	10	Audit Plan Report 2024	Chief Financial Officer	October Regular BOD Meeting	Strategic	Recurring
202	10	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	October Regular BOD Meeting	Strategic	Recurring
203	10	Draft Resolution – Approval of 2024 Operating Budget and Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts, and Real Estate	Chief Financial Officer	October Regular BOD Meeting	Compliance	Recurring
204	10	Enterprise Risk Management (ERM) Update	VP, Compliance & Regulatory	October Regular BOD Meeting	Strategic	Annual
205	10	Markets Monthly Report	VP, Markets	October Regular BOD Meeting	Strategic	Recurring
206	10	Personnel Matters	VP, Workforce & Safety Operations	October Regular BOD Meeting	Strategic	Recurring
207	10	Plan Administration Committee (PAC) Update - Michael Hansen, Drew McCorckle, CAPTRUST Advisors	VP, Workforce & Safety Operations	October Regular BOD Meeting	Compliance	Recurring
208	10	Safety/Security	VP, Workforce & Safety Operations	October Regular BOD Meeting	Strategic	Recurring
209	10	CFC Meeting Districts 8&10 (New Orleans, LA)	General Counsel	Oct 18-20, 2023	Informational	Recurring
210	10	NRECA Regional Meetings 8&10 (New Orleans, LA)	General Counsel	Oct 18-20, 2023	Informational	Recurring
211	11	Approval Resolution – Approval of 2024 Board of Directors List of Proposed Future Meetings	Board President	November Regular BOD Meeting	Compliance	Recurring
212	11	Approval Resolution – Approval of 2024 Operating Budget and Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts, and Real Estate	Chief Financial Officer	November Regular BOD Meeting	Compliance	Recurring
213	11	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	November Regular BOD Meeting	Strategic	Recurring
214	11	Approval Resolution(s) – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	November Regular BOD Meeting	Strategic	Recurring
215	11	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	November Regular BOD Meeting	Strategic	Recurring
216	11	Draft Resolution – Approval of 2024 Election Communications Plan	External Relations	November Regular BOD Meeting	Compliance	Recurring
217	11	Draft Resolution – Approval of 2024 Election Timeline	General Counsel	November Regular BOD Meeting	Compliance	Recurring
218	11	Draft Resolution - Approval of Capital Credits Distribution and Payment during Calendar Year 2024	Chief Financial Officer	November Regular BOD Meeting	Compliance	Recurring
219	11	Ethics and Compliance Update	Ethics & Compliance Officer	November Regular BOD Meeting	Compliance	Biannual
220	11	Markets Monthly Report	VP, Markets	November Regular BOD Meeting	Strategic	Recurring
221	11	Personnel Matters	VP, Workforce & Safety Operations	November Regular BOD Meeting	Strategic	Recurring
222	11	Recognition of Veterans Day	Board President	November Regular BOD Meeting	Compliance	Recurring

# PEC Annual Planning Calendar

Item #	Month	Description	Owner	Due Date Notes	Strategic/ Compliance	Reoccurring/ Ad-hoc
223	11	Safety/Security	VP, Workforce & Safety Operations	November Regular BOD Meeting	Strategic	Reoccurring
224	12	Approval Resolution – Approval of 2024 Board of Directors List of Proposed Future Meetings	Board President	December Regular BOD Meeting	Compliance	Reoccurring
225	12	Approval Resolution – Approval of 2024 Election Communications Plan	Chief Executive Officer	December Regular BOD Meeting	Strategic	Reoccurring
226	12	Approval Resolution – Approval of 2024 Election Timeline	General Counsel	December Regular BOD Meeting	Compliance	Reoccurring
227	12	Approval Resolution – Approval of Appointment of Members to PEC Plan Administration Committee (PAC)	VP, Workforce & Safety Operations	December Regular BOD Meeting	Strategic	Reoccurring
228	12	Approval Resolution - Approval of Capital Credits Distribution and Payment during Calendar Year 2024	Chief Financial Officer	December Regular BOD Meeting	Compliance	Reoccurring
229	12	Approval Resolution – Approval of Real Property Acquisitions or Real Property Dispositions	Chief Operations Officer	December Regular BOD Meeting	Strategic	Reoccurring
230	12	Approval Resolution - Review and Approval of 2023 CEO Bonus Evaluation	Board Vice President	December Regular BOD Meeting	Strategic	Reoccurring
231	12	Approval Resolution(s) – Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Chief Operations Officer	December Regular BOD Meeting	Strategic	Reoccurring
232	12	Chief Executive Officer Action Plan and Annual Performance Goals Quarterly Update	Board of Directors	December Regular BOD Meeting	Compliance	Quarterly
233	12	Cooperative Update	CEO/CFO/COO/EVP, EXTERNAL RELATIONS	December Regular BOD Meeting	Strategic	Reoccurring
234	12	Draft Resolution – Approval of 2024 Key Performance Indicators Plan Methodology	Chief Operations Officer	December Regular BOD Meeting	Strategic	Reoccurring
235	12	Draft Resolution – Approval of Directive for Delegates Regarding Upcoming Regional & National Meetings	External Relations	December Regular BOD Meeting	Strategic	Reoccurring
236	12	Markets Monthly Report	VP, Markets	December Regular BOD Meeting	Strategic	Reoccurring
237	12	Personnel Matters	VP, Workforce & Safety Operations	December Regular BOD Meeting	Strategic	Reoccurring
238	12	Report on NRCEA 2023 Compendium of Proposed Resolutions	External Relations	December Regular BOD Meeting	Strategic	Reoccurring
239	12	Review of 2024 CEO Action Items	Chief Executive Officer	December Regular BOD Meeting	Strategic	Reoccurring
240	12	Safety/Security	VP, Workforce & Safety Operations	December Regular BOD Meeting	Strategic	Reoccurring



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**File #:** 2023-238, **Version:** 1

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**Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services**

**Submitted By:** Don Ballard

**Department:** General Counsel

**Financial Impact and Cost/Benefit Considerations:** If any, as discussed in executive session.



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**File #: 2023-239, Version: 1**

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**Litigation and Related Legal Matters - D Ballard**

**Submitted By: Don Ballard**

**Department: General Counsel**

**Financial Impact and Cost/Benefit Considerations: N/A**



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**File #: 2023-240, Version: 1**

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**Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - D Ballard**

**Submitted By: Don Ballard**

**Department: General Counsel**

**Financial Impact and Cost/Benefit Considerations: If any, as discussed in executive session.**



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**File #: 2023-241, Version: 1**

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**Directors' Conflict of Interest Training and Directors' Code of Conduct Training - R Fischer**

**Submitted By: Ross Fischer**

**Department: Board Counsel**

**Financial Impact and Cost/Benefit Considerations: N/A**



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**File #:** 2023-252, **Version:** 1

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**Resolution - Amendment to Authorization of Filing Application with Public Utility Commission for Service Boundary Change or Exception to PEC Certificate of Convenience and Necessity - A Hagen**

**Submitted By:** Aisha Hagen

**Department:** Legal

**Financial Impact and Cost/Benefit Considerations:** As discussed in Executive Session.



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**File #:** 2023-234, **Version:** 1

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**Resolution - Approval of Power Supply Contract Amendment - D Thompson**

**Submitted By:** David Thompson

**Department:** Markets

**Financial Impact and Cost/Benefit Considerations:**



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**File #: 2023-243, Version: 1**

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**Draft Resolution - Approval for Renewal of 2024 Medical Insurance Benefits - N Fulmer**

**Submitted By: Nathan Fulmer**

**Department: Workforce and Safety Operations**

**Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.**



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**File #: 2023-244, Version: 1**

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**Draft Resolution - Approval of Amendments and Restatement of Employees' 401(k) Savings Plan - N Fulmer**

**Submitted By: Nathan Fulmer**

**Department: Workforce and Safety Operations**

**Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.**



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**File #: 2023-224, Version: 1**

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**Draft Resolution - Approval of Security Guard Services Agreement - C Moos**

**Submitted By: Cody Moos**

**Department: Operations**

**Financial Impact and Cost/Benefit Considerations:**



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**File #: 2023-254, Version: 1**

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**Draft Resolution - Approval of Construction Contract for Yarrington Substation - J Treviño**

**Submitted By: Jose Treviño**

**Department: Engineering**

**Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.**



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**File #: 2023-255, Version: 1**

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**Draft Resolution - Approval of Amendment to ARCOS Contract - J Treviño**

**Submitted By: Jose Treviño**

**Department: Engineering**

**Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.**



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**File #: 2023-261, Version: 1**

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**Distribution Planning Brief - J Treviño**

**Submitted By: Jose Treviño**

**Department: Engineering**

**Financial Impact and Cost/Benefit Considerations: If any, as discussed in Executive Session**



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**File #: 2023-242, Version: 1**

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**2023 Property (Real and Personal) Tax Appraisal and Assessment Update - S Houghton/K Jones**

**Submitted By: Sharon Houghton/Kat Jones**

**Department: Chief Financial Officer**

**Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.**



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**File #: 2023-245, Version: 1**

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**Markets Monthly Report - D Thompson**

**Submitted By: David Thompson**

**Department: Markets**

**Financial Impact and Cost/Benefit Considerations: If any, as discussed in executive session.**



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**File #: 2023-246, Version: 1**

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**Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive/C Moos**

**Submitted By: Renee Oelschleger on behalf of Eddie Dauterive**

**Department: Chief Operations Officer**

**Financial Impact and Cost/Benefit Considerations: As discussed in executive session.**



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**File #: 2023-247, Version: 1**

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**Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - E Dauterive/C Moos**

**Submitted By: Renee Oelschleger on behalf of Eddie Dauterive**

**Department: Chief Operations Officer**

**Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.**



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**File #:** 2023-248, **Version:** 1

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## **Safety and Security Matters**

**Submitted By:** Workforce and Safety Operations  
**Department:** Workforce and Safety Operations  
**Financial Impact and Cost/Benefit Considerations:** N/A



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**File #:** 2023-249, **Version:** 1

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**Cyber Security Semiannual Update - S Stoppelmoor**

**Submitted By:** Seth Stoppelmoor  
**Department:** Compliance & Regulatory  
**Financial Impact and Cost/Benefit Considerations:** N/A



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**File #:** 2023-250, **Version:** 1

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## **Personnel Matters**

**Submitted By:** Workforce and Safety Operations  
**Department:** Workforce and Safety Operations  
**Financial Impact and Cost/Benefit Considerations:** N/A



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**File #:** 2023-251, **Version:** 1

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**Corporate Initiatives and CEO Action Items Update - J Parsley**

**Submitted By:** Julie Parsley  
**Department:** Chief Executive Officer  
**Financial Impact and Cost/Benefit Considerations:** N/A