

SOUTHSIDE ELECTRIC COOPERATIVE
Power Cost Adjustment
Schedule PCA-1

Availability:

Available in all territory served by the Cooperative, subject to the Terms and Conditions of the Cooperative on file with the Virginia State Corporation Commission.

Applicability:

This schedule is applicable to and becomes a part of each electric rate schedule in which reference is made to Power Cost Adjustment Rider, Schedule PCA-1.

The Cooperative shall apply a uniform per kWh charge or credit to applicable sales in accordance with the following terms. All definitions and calculations shall be in reference to the total Cooperative system but shall exclude any kWh sales, kWh purchases, Energy Supply Service ("ESS") revenues, and power costs related to service to any Member under an electric service tariff that separately provides for a direct pass through of purchased power expense.

DEFINITIONS

PCA	=	Power cost adjustment factor.
ESS Revenue	=	Revenue produced by the base Energy Supply Service part of each tariff.
ESS Base	=	\$0.07873 per kWh sold reflecting the annual system average base ESS Revenue per kWh sold.
kWhs	=	The total projected kWh to be purchased in the applicable rate year times the Loss Factor.
PCp	=	The projected total cost of purchased power for the applicable rate year from all sources, including costs associated with the Energy Adjustment part of the ODEC Tariff, that will be charged to Accounts 555.
O	=	Any Over Recovery balance recorded on the Cooperative's balance sheet as of the most recent accounting month available.
U	=	Any Under Recovery balance recorded on the Cooperative's balance sheet as of the most recent accounting month available.

Southside Electric Cooperative

DEFINITIONS (continued)

- EA = ODEC's Energy Adjustment rate from time to time, expressed in \$ per kWh.
- ODEC kWh Factor = The going level ratio of annual ODEC kWh purchased to total annual kWh purchased based on historical or projected data.
- Loss Factor = One minus the estimated kWh loss percentage based on historical data.

FORMULA

In any month there is a change in ODEC base rates, a change in the SEPA Capacity rate or capacity allocation that would materially affect the overall cost of power per kWh, or a purchase power price or volume change pursuant to a non-ODEC/non-SEPA power supply contract that would materially affect the overall cost of power per kWh, for application in each month thereafter until changed in accordance with this tariff, a PCA will be computed as follows:

$$PCA = \frac{PCp - O + U}{kWhs} - \text{ESS Base} + \text{EAr}$$

Where;

EAr will be zero unless there is a change in the EA relative to the EA used for PCp in which case EAr will be calculated as follows and the PCA will be modified to reflect the new EAr:

$$EAr = (\text{New EA} - \text{EA included in PCp}) \times \text{ODEC kWh Factor} \div \text{Loss Factor}$$

OVER AND UNDER RECOVERY AMOUNT

The over or under recovery of power cost will be calculated and booked monthly based on the difference between actual purchased power costs applicable to account 555 in the month (including any charge or credit for an ODEC margin stabilization adjustment) and revenues booked in the month equal to the base ESS Revenues; plus, the PCA revenues. Booked revenues and kWh sales will be net of any applicable unbilled adjustments.

(Over) and Under Recovery Amounts, if any, will be credited or debited to account 186.04 Deferred Debit – PCA, with corresponding credits or debits to 555.02 Purchased Power - PCA.

MODIFICATIONS TO THE PCA

The intent of the PCA is to recover the Cooperative's purchased power cost on a dollar for dollar basis. At any time, the Cooperative may re-calculate the PCA to minimize (over) or under recovery of power cost if actual data and more current information for the remainder of the applicable rate year indicate that the PCp, kWhs, or both have changed enough to warrant a change in the PCA, or if the (Over) or Under Recovery Amounts become excessive. At a

Southside Electric Cooperative

minimum, the PCA will be recalculated once in any twelve-month period to adjust for any accumulated Over or Under Recovery Amount.

RATE YEAR

The rate year is the twelve-month period beginning with the month in which a change in the PCA will occur that is not solely due to a change in EAr.

APPENDIX C – RESIDENTIAL PREPAID ELECTRIC SERVICE - GENERAL RULES AND REGULATIONS

I. PURPOSE

This Appendix C states the Cooperative's General Rules and Regulations for providing Residential Prepaid Electric Service. If a provision in the Cooperative's overall Terms and Conditions for Providing Electric Distribution Service conflicts with a provision in Appendix C, the provision in Appendix C will control with regard to those Customers who have voluntarily elected to participate in the Prepaid Electric Service program.

II. APPLICABILITY

Upon a Customer's request, the Cooperative will initiate Prepaid Electric Service at the Customer's location, providing a system that is configured to terminate electric service immediately and automatically when the Customer has incurred charges for electric service equal to the Customer's Prepayments for such service. Prepaid Electric Service is not available at locations where the Customer is receiving, or begins receiving, service subject to a Serious Medical Condition Certification due to someone in the household having a serious medical condition. This Appendix C applies to Customers who elect Prepaid Electric Service, supplementing the Terms and Conditions described in the previous sections.

The parts of the Cooperative's Terms and Conditions that are specified in paragraph IV, below, shall not be applicable for electric service provided on a prepaid basis under Schedule A-P. Also, Schedule A-P shall be augmented by the Terms and Conditions specific to Schedule A-P provided in Paragraph V, below.

III. DEFINITIONS

Account Calculation – The process of determining the Customer's Prepayment balance by taking the total of payments received and subtracting the computed value of the total metered electric service consumed, along with any applicable Daily Access Charge, other charges, and taxes. There will be at least one Account Calculation per day, or there may be several per day, occurring after each Meter Reading and/or payment on the account.

Automatic Resumption – When, after an Automatic Suspension, electric service is made available to a Customer using this tariff as result of the Customer making Prepayments sufficient to re-establish a Prepayment balance.

Automatic Suspension – When electric service is made unavailable to a Customer using this tariff as result of the Customer incurring charges for electric service equal to or greater than the Customer's Prepayments for such service.

Calendar Day – The 24-hour period beginning at 12:00:00 A.M. and ending at 11:59:59 P.M.

Daily Access Charge – The equivalent of the Minimum Monthly Charge under standard rate schedules based on the comparable class Minimum Monthly Charge ÷ 30.4.

Daily Outdoor Lighting Charge – The Monthly Rate in the applicable Outdoor Lighting Tariff, adjusted to reflect the PCA-1, divided by 30.4.

Low Balance Notice – Notice provided to the Customer by the Cooperative when the Customer's Prepayment balance drops below a predetermined level set by the Cooperative. The predetermined level shall represent a reasonable approximation of five

days of normal usage at the premise receiving Prepaid Electric Service. If the Cooperative does not have sufficient historic usage information for a customer or premise, the Minimum Notification Level shall be set at \$25 until the Cooperative obtains sufficient usage information to establish a reasonable approximation for five days of normal usage.

Meter Reading – Accessing the meter at the Customer’s location to determine the amount of electric service consumed since the previous reading.

Minimum Initial Prepayment Balance - When applicable, the Prepayment balance necessary to begin receiving service under Schedule A-P. The Minimum Initial Prepayment Balance is the amount that must remain after any applicable Fees and Charges and amounts agreed to in a payment arrangement are deducted from the initial Prepayment.

Prepayment – Any amount paid by the Customer in advance of using services provided under this rate schedule, minus any amounts due from the Customer that were previously agreed to as a condition of receiving service.

Service Initiation Fee – The fixed fee collected only at the initial commencement of service under Schedule A-P to cover the administrative costs of establishing service and educating the Customer as to the benefits and duties associated with such service. The Service Initiation Fee, and the Minimum Initial Prepayment Balance, shall apply only the first time a Customer requests service under Schedule A-P, and when returning to Schedule A-P after not using prepaid service for at least twelve months.

IV. CURRENT TERMS AND CONDITIONS NOT APPLICABLE TO SCHEDULE A-P

- A. Article IV, B.1 (Deposits)
- B. Article VII, A.1 (Bills), A.3 (Terms of Payment/Collection), and A.4 (Budget Billing / Levelized Plan)
- C. Article VIII, B.2 (Discontinuance - With Written Notice)
- D. Article IX, B.1 and B.2 (Settlement of Charges and Fees)
- E. Appendix A – Schedule F – Fees, Items F and G.

V. ADDED TERMS AND CONDITIONS APPLICABLE TO SCHEDULE A-P

- A. Deposits
 - 1. The Cooperative shall not require a Customer utilizing Schedule A-P to pay a deposit as a guarantee of payment for services provided by the Cooperative.
 - 2. Deposits previously paid to the Cooperative as a guarantee of payment for services provided shall be returned to a Customer electing to be served under Schedule A-P. The return of such deposits shall be in accordance with Article IV of the Cooperative’s current Terms and Conditions. Any amount to be returned to the Customer may be applied, at the Customer’s request, to the Service Initiation Fee or Prepayment balance.
 - 3. The payment history of a Customer served under Schedule A-P, with the exception of a payment not honored by the institution on which it is drawn, will not affect the Customer’s credit status with the Cooperative and shall have no bearing on the establishment of acceptable credit as referenced in Article IV of the Cooperative’s Terms and Conditions.

Southside Electric Cooperative

B. Commencing Service

1. A Customer seeking service under Schedule A-P for the first time, or when returning to Schedule A-P after not using prepaid service for at least twelve months, must pay a Prepaid Electric Service Initiation Fee and establish a Minimum Initial Prepayment Balance prior to receiving service. In addition, if a new service is being established, the Customer must also pay a Service Connection Fee in accordance with Schedule F, Item B.
2. If the Customer requesting to be served under Schedule A-P is currently in good standing and receiving service under another rate schedule, a bill will be issued for the Customer's current charges. If payment for the current charges is not received by the Due Date, the Customer will be notified that payment is due immediately. As an alternative, the Customer may elect to have current electric charges transferred to a payment plan as described in Section B.4., below.
3. If commencement of service under Schedule A-P does not coordinate with the start of the billing cycle, any monthly charges, such as those referenced in V. C. 6, below, shall be prorated according to the number of days remaining in the billing cycle in which service under Schedule A-P is initiated.
4. If there are outstanding amounts due the Cooperative after the final bill is rendered on an existing account, the Customer may request a payment plan agreement wherein a mutually agreed portion of all payments from the Customer shall be applied to any outstanding balance due. The Cooperative may require that a portion of the total balance owed be paid prior to initiating service under Schedule A-P. No Late Charges shall be applied to such outstanding balances while the Customer remains on Schedule A-P. The Cooperative may enter into such a payment plan agreement at its sole discretion.

C. Billing, Meter Reading, and Payment for Service

1. No bills will be mailed to Customers for electric service received under Schedule A-P. Billing details and usage data will be made available through the Cooperative's Internet-based account management service or by request to the Cooperative to provide a summary statement of electricity consumed and payments received during the billing cycle.

THE CUSTOMER IS RESPONSIBLE FOR MONITORING THE ACCOUNT BALANCE TO ENSURE THAT THE REMAINING PREPAYMENT AMOUNT IS ADEQUATE TO AVOID AUTOMATIC SUSPENSION OF SERVICE.

2. The Customer may access account balance information by contacting the Cooperative and through the Cooperative's Internet-based account management service.
3. Prepayments for electric service may be made by any method available to Cooperative members, with the exception of automatic bank withdrawal.
4. A Meter Reading will occur at least once each day.

Southside Electric Cooperative

5. An Account Calculation will be made after each Meter Reading and after each payment is applied to the account. The kWh consumed, as determined by the meter reading, will be multiplied by the kWh rates provided in Schedule A-P, including the Power Cost Adjustment (Schedule PCA-1) and other applicable charges, to determine the cost of the electric service used by the Customer.
6. The cost of electric service used by the Customer, including any Daily Access Charge, other applicable charges, and applicable taxes, will be deducted from the Customer's Prepayment balance during the Account Calculation. Daily charges will be calculated and applied to the first Account Calculation of each Calendar Day.
7. Charges otherwise occurring monthly, such as a minimum tax, will be prorated by dividing by 30.4 and applied on a daily basis.
8. Recurring charges, such as the Daily Access Charge and those charges referenced in item 6, will continue to be applied to the first Account Calculation of each day as long as the account is active, regardless of whether electric service is consumed or service has been subject to Automatic Suspension. Recurring charges are deducted from the prepaid balance on a daily basis. *To avoid recurring charges, the Customer must contact the Cooperative and request that service be disconnected and that a final bill be issued on the account.*
9. At the end of each billing cycle, total monthly charges shall be calculated as if the Customer were served on the standard residential schedule. Any difference in the standard residential schedule charges and the cumulative prepaid daily charges shall be reconciled and added to or deducted from the Prepayment Balance at the next Account Calculation.
10. Payments will be applied first to any debit balance resulting from usage prior to an Automatic Suspension of electric service and then to establishing a Prepayment balance. No Late Charges shall apply to any such debit balance.
11. Whenever a Customer payment is returned for insufficient funds, inaccurate bank information, or a stop payment action, or is otherwise lawfully dishonored by the institution from which the payment is drawn, the Prepayment balance will be reduced by an amount equal to the dishonored payment plus a fee charged in accordance with Schedule F, Item H, and a new Account Calculation will be performed. If the resulting Prepayment balance reaches zero or a negative amount, the account will be subject to Automatic Suspension.
12. If a Customer served under this rate schedule elects to purchase outdoor lighting service, the monthly rate in Schedule SL, adjusted to reflect the PCA-1, for the type of fixture selected by the Customer shall be converted to a Daily Security Lighting Charge by dividing by 30.4. This charge shall be applied to the first Account Calculation of each day. The Daily Security Lighting Charge shall be recalculated each time Schedule PCA-1 is revised. At the end of each billing cycle, total monthly charges shall be calculated as if the customer was served on the standard lighting schedule. Any difference shall be reconciled and added to or deducted from the Prepayment Balance at the next Account Calculation.

Effective for bills issued on and after January 7, 2020.

13. If a Customer served under this rate schedule elects to purchase unregulated products or services through the Cooperative, a separate account shall be established in the Customer's name and the charges and payments for such services shall be kept separate and distinct from the Prepayment balance.

D. Suspension and Resumption of Electric Distribution Service

1. **WHEN THE AMOUNT OF ELECTRIC SERVICE USED EQUALS OR EXCEEDS THE CUSTOMER'S PREPAYMENTS, THE COOPERATIVE WILL ISSUE A NOTICE THAT SERVICE WILL BE SUSPENDED IF NO PAYMENT IS RECEIVED BY 8:00 AM OF THE NEXT CALENDAR DAY. IF PAYMENT SUFFICIENT TO RE-ESTABLISH A POSITIVE PREPAYMENT BALANCE IS NOT RECEIVED BY 8:00 AM OF THE NEXT CALENDAR DAY, ELECTRIC SERVICE WILL BE AUTOMATICALLY SUSPENDED – *WITHOUT ADDITIONAL NOTIFICATION.***
2. Electric service will resume within three hours of the Cooperative receiving payments re-establishing a positive Prepayment balance. Termination of electric service will only take place between the hours of 7 a.m. and 3 p.m., 7 days a week.
3. No Fees or Charges shall be applied as the result of Automatic Suspension or Automatic Resumption of electric service.
4. The Cooperative will provide a Low Balance Notice when the Customer's Prepayment balance equals or is less than the predetermined notification level. The Low Balance Notice will continue until the Prepayment balance reaches zero. At that time the Cooperative will issue a notice that service will be suspended if no payment is received by 8:00 am of next calendar day. (Low Balance Notices will be transmitted as selected by the Customer: automated telephonic reminder, electronic mail, or text message. In addition, the Customer may designate a third-party to receive such Low Balance Notices).
5. If no payment occurs within thirty (30) days of an Automatic Suspension, the account will be considered inactive and a final bill will be issued for any outstanding amounts due the Cooperative. A Service Connection Fee (Terms and Conditions, Appendix A – Schedule F, Item B) will be charged prior to the resumption of service at that location.
6. A Customer seeking voluntary disconnection prior to an Automatic Suspension must contact the Cooperative and request that service be disconnected. Any Prepayments exceeding amounts owed to the Cooperative at the time of such Customer-requested disconnection shall be returned to the Customer. The Customer shall have the option of receiving such funds either as a credit to another active account in the Customer's name or as a direct payment to the Customer.
7. A Customer using Schedule A-P may transfer to another available tariff subject to the Cooperative's Terms and Conditions, including any applicable deposit requirements and Fees and Charges. Any Prepayments exceeding amounts owed to the Cooperative at the time of such transfer shall be returned to the Customer. The Customer shall have the option of receiving such funds either as a credit to another active account in the Customer's name or as a direct payment to the Customer.