
POLICY BULLETIN NO. 100

SUBJECT:

Customer Service Policy

OBJECTIVES:

To provide a guide to LYREC members, employees, and trustees to assure that members are treated equitably.

POLICY:

This service policy constitutes LYREC'S rules and regulations for furnishing and receiving electric service. A copy of this service policy shall be available to members of the cooperative.

This service policy may be revised, amended, supplemented, or otherwise changed at any time by action of LYREC Board of Trustees.

This service policy supersedes and replaces all previous rules and regulations or service policies, which are considered void.

In case of conflict between a provision of any rate schedule and this service policy, the provision of the rate schedule shall apply.

PROCEDURE:

A. Application for service/membership:

Applicants for electric service will be required to sign a membership application form provided by the cooperative. Applicants will be asked to provide information relating to service requirements, the manner in which power will be utilized, and credit information. Large industrial and commercial applicants may be required to sign special applications that contain additional provisions or stipulations.

Any two people who agree may have a joint membership in which they share equally in the rights and responsibilities of their membership, meaning they will be jointly and individually responsible for all debt associated with the account. They both must sign the membership application and will be bound by its terms.

Members who wish to have meters installed outside normal business hours shall pay 100% of labor costs for the installation.

LYREC, at its sole discretion, may provide the meter base and/or meter loop for a new service.

LYREC may refuse service or discontinue service for any violation of its rules, regulations, or policies.

B. Security Deposits:

All heat meters will be excluded when calculating the security deposit.

Residential Services

Current members with an “A” credit rating within LYREC’s 12-month billing history, will not be required to furnish a deposit. LYREC will use Equifax to obtain credit ratings for new members. Members must furnish assurance of payment, in the form of a security deposit or other security as agreed upon between LYREC and member. If the member has a 4-star rating, the security deposit will be waived. If a member has less than a 4-star rating, they must pay the greater of a \$500 deposit or double the historical highest monthly bill charge on each meter.

A security deposit for a new service will be the greater of \$500 or a deposit calculated based on the kVA size requested or required for the service. This deposit will be \$20 per connected kVA.

Commercial Services

Current members with an “A” credit rating within LYREC’s 12-month billing history, will not be required to furnish a deposit. The credit history for a commercial business must be in the same commercial business name and will not be accepted based on credit history of any individuals, members, owners, operators, employees, or stockholders.

LYREC will use Equifax to obtain credit ratings for new commercial members. LYREC will determine a commercial member’s credit worthiness based on the commercial member’s Equifax score.

If the commercial member has a Business Delinquency Score of at least 554, the security deposit will be waived. If a new commercial member has a Business Delinquency Score lower than 554, and the premise is not a new service location, they must pay the greater of double the historical highest monthly bill charge or the requested or required connected kVA for the service on each meter. This will be calculated by using \$45 a connected kVA.

A member may request to provide an assurance of payment in the form of a letter of credit from an established financial institution in lieu of a security deposit.

In lieu of the required security deposit, letter of credit, or credit check, a new commercial member may agree to monthly electronic money transfers by signing the Auto Pay Agreement and ACH bank form.

Deposit Refunds



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RURAL ELECTRIC COOPERATIVE**

Your Touchstone Energy® Cooperative 

Date Adopted: 01/18/94

Date Revised: 01/17/23

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Contingent on and following timely payments in full for 12 months, LYREC will credit a security deposit to the member account or release the letter of credit on the 13th consecutive month of service. Upon disconnection of service, the security deposit will be refunded to the member only after the final bill has been paid in full.

C. Billing:

The cooperative will present bills to members once a month. Bills are due and payable by the 20th of each month. If the bill is not paid in full by next billing date, a finance fee of \$1.00 or 1.5%, whichever is greater, will be added to the next bill. LYREC retains the right to bill members more than once a month if agreed to by LYREC and member in a Service Agreement signed by each. The billing dates would also be adjusted in this Service Agreement.

- a. Facility charge and capacity charge: All meters, other than the heat meters, are charged a monthly facility charge. When a new meter is connected in the current billing period, the facility charge and/or capacity minimum will be prorated and billed from the connect date to the current month billing date. For each succeeding month, the facility charge and the capacity minimum are based on a thirty (30) day month and runs from billing date of the previous month to the billing date of the current month. The member is responsible for the facility charge and/or the minimum capacity charge, regardless of the month's usage.
- b. Usage charges: When a new meter is installed in the current month, the meter will be charged usage from the connect date to the reading date. The meter's usage for all succeeding months will be billed from approximately the 1st of the previous month to the 1st of the current month. The reading dates on each meter may vary.

D. Delinquent Accounts:

See Policy 101.

E. Insufficient Fund Checks:

If a payment for a member's account is returned for insufficient funds on more than one occasion within any 12-month period, LYREC in its sole discretion may no longer accept a check for payment from a member. When a check has been returned for insufficient funds from the bank, the member's account may be charged, and the member shall be responsible for all fees associated with the returned check.

F. Disconnection of Service:

A member who wishes electric service disconnected shall give the cooperative at least three business days' notice in advance of the effective date. LYREC may disconnect service for violation of any of its rules and regulations, failure to pay electric service charges when due, violation of rate schedules or contract provisions, dangerous or emergency conditions, or misuse, theft or illegal diversion of



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electric current. Disconnection of service does not release the member from the obligation to pay for the energy received or charges specified in any contract.

LYREC is not regulated by the Montana or North Dakota Public Service Commission. LYREC may choose to forgo disconnection of service during inclement weather conditions, but the decision is solely at LYREC discretion.

Service will be disconnected WITHOUT NOTICE in these cases:

- a. Dangerous, unsafe or emergency conditions.
- b. Theft or illegal diversion of electric current.

Service will be disconnected for the following reasons after a notice has been sent. The Notice will identify the reason for disconnection and provide a date by which the member must correct the problem:

- a. Violation of, and/or non-compliance with any applicable Federal, State, or local laws, regulations and codes.
- b. Violation of any of the cooperative's rules and regulations.
- c. Failure to pay an account

G. Idle Service Reconnection Fee:

Whenever a member wishes to have a service that was last in their name reconnected within 12 months of disconnection the member shall pay the following:

The facility charge and monthly capacity minimum for the period the account was disconnected plus a meter installation fee of \$100.00.

H. Meter Tests:

LYREC will periodically test and inspect its meters to insure a high standard of accuracy. No meter that has an error in registration of more than two (2) percent under conditions of normal operations shall be allowed to remain in service.

A member may request that LYREC test their meter. If the meter is found to register within two (2) percent accuracy the member will pay a Meter Test Fee of \$100.00 plus a service call fee to cover the cost of travel and changing out and testing the meter.

If the meter is found to register in excess of two (2) percent accuracy the cooperative will not charge the member for the Meter Test Fee and may adjust the member's billing.

I. Non-Registering Meter:



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If a meter fails to register for any period of time, for reasons beyond the control of the cooperative, the cooperative may estimate the charge for service and make adjustments to previous billings. Such estimates will be based on the best available data.

J. Meter Seals:

All meters will be sealed by LYREC. The breaking of meter seals by unauthorized persons is prohibited without first securing the consent of the cooperative. The cooperative will, at its convenience, reseal the meter.

K. Theft or Diversion of Electric Service:

All reports of cut or missing meter seals or other evidence of tampering shall be investigated by LYREC. Discovery of any tampering, disabling, theft or diversion of electric service will result in immediate disconnection of service. LYREC will establish a monetary value of the electric service obtained as a result. The amount will include but not necessarily be limited to the cost to investigate and disconnect, damages to cooperative property, value of the estimated energy consumed, and all other costs incurred by the cooperative as a result of the situation. If service is to be reconnected, in addition to paying the above charges, the account will be subject to the normal credit and collection policies of LYREC. LYREC may request criminal prosecution as well seek as damages in a civil court.

L. Rental Property Agreement:

Property owners who wish to have the electric service to their rental units remain connected after the unit has been vacated, must sign a Rental Property Agreement with the cooperative. The owner agrees to assume responsibility for the payment of all electricity and security light charges at the premises from the date of the tenant(s) disconnect order until a new tenant(s) requests service be connected in their name.