

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.

POLICY BOOK

SERIES 00 - GENERAL POLICIES

POLICY NO.	POLICY TITLE/DESCRIPTION	DATE ADOPTED	DATE AMENDED	DATE AMENDED	DATE AMENDED
1	Office Hours	2/16/1988			
2	Joint Use of Pole Facilities	2/16/1988	7/25/2000		
3	General Retirement of Capital Credits & Payment of Capital Credits to Estates (Includes Addendums)	2/16/1988	11/27/1990	8/28/2001	
4	Use of Hospitality Room	2/16/1988			
5	Energy Conservation	2/16/1988	3/28/2000 (wording change)		
6	Cooperative Service Area Boundary Lines	2/16/1988	7/25/2000		
7	Petty Cash	4/19/1988	7/25/2000		
8	Audit of Cooperative Records	2/16/1988	7/25/2000		
9	Annual Budget	2/16/1988	12/20/1988 (wording change)	3/28/2000	4/26/2011
10	Employment Practices	2/16/1988	3/28/2000 (wording change)		
11	Authorized Signatures	2/16/1988	3/28/2000 (wording change)	1/29/2002	
12	Membership Mailing List	2/16/1988	7/25/2000		
13	Smoking & Non-Smoking	7/24/1990	3/28/2000	11/25/2008	
15	Savings Provision	4/23/1996			
16	Records Retention	11/27/2007			

**CLINTON COUNTY ELECTRIC COOPERATIVE INC.
BOARD POLICIES
GENERAL POLICIES**

SUBJECT: OFFICE HOURS	POLICY NUMBER: 1
EFFECTIVE DATE: 02/16/1988	
REVISED DATE(S):	

I. OBJECTIVE

To establish consistent and specific times for normal business hours.

II. POLICY

A. Effective January 3, 2012, the office of Clinton County Electric Cooperative, Inc. shall normally be open for business from 7:00 AM to 4:00 PM, Monday through Friday.

B. The office will normally be closed on all Saturdays, Sundays, Legal Holidays and/or those days that may, at one time, be approved by the Board of Trustees of the Clinton County Electric Cooperative, Inc. because of some special occasion that might arise.

, Chairman	Date:
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**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 2

SUBJECT: JOINT USE OF POLE FACILITIES

I. OBJECTIVE: To set procedures for joint pole use

II. POLICY:

A. The Clinton County Electric Cooperative, Inc. will enter into an agreement with other utilities requiring pole attachments when the following conditions exist:

1. The agreement for such type of pole attachments is approved by both parties concerned and by a third party, if necessary.

2. Such agreements are signed by both parties and a third party when and if necessary.

3. When such joint use pole attachments will benefit the member/consumers of the Cooperative, or other people living in the rural area served by the Cooperative.

B. Attachments can be made to Cooperative poles only when an engineering drawing, showing types of attachments to be made, number of such attachments needed and locations of each attachment, is presented to the Cooperative Engineering Department for approval.

C. After the agreement is approved by the Board of Trustees and signed by the Chairman and Secretary of both the Cooperative and Company concerned, it will become considered in force and subject to the contents of the agreement.

DATE ADOPTED: 2/16/88

DATE AMENDED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 3

SUBJECT: GENERAL RETIREMENT OF CAPITAL CREDITS AND PAYMENT OF CAPITAL CREDITS TO ESTATES

I. OBJECTIVE: To provide for an orderly and timely method(s) for payment of capital credits.

A. It is the policy of Clinton County Electric Cooperative, Inc. (CCEC) that capital credits allocated to members will be paid to them on a revolving basis, when the board determines that the financial condition of CCEC will not be impaired. (See Article VIII of the Bylaws)

1. When the Board elects to make a general retirement of capital credits for a particular year or years, it shall do so equally to all natural persons who were members in that year or years, their heirs, successors and Assignees. The board may treat large power users differently. (See Article D under this same policy.)

2. CCEC shall deduct from any refund, any amounts owing to CCEC by the patron.

3. When a determination is made that capital credits are to be paid, CCEC may publish a list of members to whom such payments are due and who cannot be located. CCEC will also use other reasonable efforts to locate missing members.

B. To facilitate the settlement of estates, it is the policy of CCEC to pay capital credits upon notice of the death of a natural person/member, if requested, and if the Board finds that such payment will not impair the financial condition of CCEC as per the Bylaws.

1. Payments, as the board chooses to make, to estates shall be made without regard to the age or sex of the survivor, heir, successor or assignee.

2. Any person seeking payment of capital credits of a deceased natural person member shall submit an affidavit on the form attached hereto, or a similar document or documents as may from time to time be required, proving that the capital credits should properly be paid to that person.

3. The Board may retire capital credited to the account of such deceased natural person member prior to a general retirement discounted to present value on the basis of an annual discount rate equivalent to the 10 year long term interest rate (rounded up to the next full percentage rate) being charged by CFC as of January 1 each year.

4. That portion of the capital credits allocated to the estate, but not paid to it, will be donated to CCEC. CCEC shall deduct from any refund, any amounts owing to CCEC by the patron. Such deduction shall be credited to the patron's outstanding indebtedness to CCEC after the present value amount has been determined.

C. Recognizing that the capital credits received by CCEC from a G&T and other Cooperative suppliers are ultimately a return of capital which belongs to CCEC's members, it is the policy of CCEC to pay those capital credits to its members when the board determines that the financial condition will not be impaired by doing so. Capital credits from a G & T and other Cooperative suppliers will be allocated to members at the same time capital credits from this CCEC are allocated. Actual retirement of the credits from those sources may not occur as quickly as retirement of credits from CCEC. Such retirements will depend on when CCEC receives cash retirements from those sources and on the Board's judgment whether the retirement will impair the financial condition of CCEC. Capital credits attributable to power supply will always be retired after other capital credits earned in the same or prior years.

POLICY NO. 3, CONTINUED

1. Capital credits from the sources named above may be identified separately in the records of CCEC. The allocation of such capital credits to members may also be separately identified, and members will be advised of manner of calculating the allocation.

D. Since large power users are sometimes served under special rates or contracts, it may happen that the margins attributable to them are less than those earned from other members. It is therefore the policy of CCEC to make an annual study of such comparative margins, which will be retained in the records of CCEC. The results of the study will control the amount of capital allocated to the account of such larger power users. For purposes of this policy, a large power user will be defined by the board of trustees from time to time, and users will be advised if they fall into that category.

DATE ADOPTED: 2/16/88

AMENDED: 11/27/90

AMENDED: 8/28/01 yeas 8 nays 1 abstains 0

AFFIDAVIT BY PERSONS LEGALLY ENTITLED TO CAPITAL CREDIT PAYMENT

FROM: CLINTON COUNTY ELECTRIC COOPERATIVE, INC. UNTO DECEASED MEMBER

STATE OF _____) DECEASED MEMBER: _____
) SS:
COUNTY OF _____) LAST ADDRESS: _____

Before me, the undersigned officer duly qualified to administer oaths in and for the above State and County, personally appeared, _____, who, upon solemn oath (affirmation), duly administered did depose and say in order to induce payment of capital credits due said deceased member that the above named deceased member of CLINTON COUNTY ELECTRIC COOPERATIVE, INC., died on the _____ day _____, 20____, a legal resident of _____ County, State of _____; (strike out (a) or (b) below, whichever is not applicable, and fill out the other one of them):

(a) Said deceased member died leaving a Last Will which (was or was not) probated in _____ County, State of _____, and that _____ (name of Executor(s) of address) _____, were duly appointed and (do or do not) _____ continue to serve as Executors of said Estate, under which Last Will all the persons entitled to receive such payments are specified under (c) below; or

(b) Said deceased member died without a Last Will; that Letters of Administration (were or were not) _____ issued by the Register of Wills of the above County of legal residence on or about the _____ day of _____, 20____, unto (name of Administrators) _____, of _____, who (do or do not) _____ continue to serve as such; and that after the payment of estate obligations, the person or persons entitled to the balance of the decedent's property are all named under (c) below:

that all the debts and expenses owing by the deceased member have been paid, or if not paid, any capital credit payments made to the Estate of said deceased member will be used for such purposes; that by reason of the above facts, said capital credit payments should be paid unto the above named continuing Executors or Administrators, or (if they do not so continue to serve, then) to the following named persons who are entitled to receive the same:

Name	Address	Age	Relationship

that the undersigned persons hereby authorize and direct CLINTON COUNTY ELECTRIC COOPERATIVE, INC. to pay all Capital Credits due the deceased member, whether presently or hereafter computed, unto _____ and for said purpose, the undersigned parties hereby transfer and assign all their interest in said capital credits unto said last above named person or persons, hereby releasing and discharging said CLINTON COUNTY ELECTRIC COOPERATIVE, INC. its successors and assigns, from further liability and responsibility for making such capital credit payments unto said last above named person or persons as payees thereof.

Sworn to and subscribed before me

this _____ day of _____, 20____.

Signature of Officer

Title of Officer

My Commission Expires:

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 4

SUBJECT: USE OF HOSPITALITY ROOM

I. OBJECTIVE: To establish rules and procedures for the use of the Hospitality Room.

II. POLICY:

A. The Hospitality Room of the Cooperative, located within the confines of the Cooperative office area, shall be made available for use by any farm, civic, governmental, fraternal or other related organizations upon approval by the President or the Board of Trustees. The room is to be reserved in advance to prevent any conflict of dates.

B. No charges shall be made for the use of the room, or for the facilities available in the room, or those made available upon request of the Cooperative, unless damaged by the organization using same; whereupon all repairs of damaged equipment or appliances are to be paid for by the group and/or individuals responsible for group meeting. The room is to be cleaned after the meeting, and all equipment used is to be put back into proper place. Utensils used are to be washed, dried and put back into proper cabinet space provided.

C. Any group or organization who does not comply with these regulations shall forfeit the right for future use of the room.

DATE ADOPTED: 2/16/88

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 5

SUBJECT: ENERGY CONSERVATION

I. OBJECTIVE: To establish a policy concerning the use of energy by the Cooperative and its members, particularly in regard to effectiveness, efficiency and conservation of energy. This objective is consistent with the utility responsibilities of full service Cooperatives, and its prime concern for members' needs.

11. POLICY: It shall be the policy of the Clinton County Electric Cooperative, Inc. to:

A. Develop a system-wide program of energy management which will include adequate home insulation, complete weatherization, efficient use of energy and the encouragement of other sources of alternate energy such as solar, wind, etc.

B. To develop an informational program so that the need for energy management is understood, along with the understanding of what each consumer can do to meet his energy use needs most effectively and efficiently.

C. To develop an informational and educational program with contractors, involved in building homes and other types of buildings using energy for heating, lighting, cooling and other needs.

D. To train employees and to provide information to them on all energy conservation programs developed by the Cooperative.

E. Promote complete weatherization of all members' homes, with assistance as appropriate in helping them to select proper materials, providing them names of contractors qualified to do installations, and to offer assistance in securing adequate financing, if needed.

III. RESPONSIBILITY

A. It shall be the responsibility of the President to develop work plans and budget recommendations to carry out this policy and to develop the necessary control reports to assess the results.

DATE ADOPTED: 2/16/88

AMENDED: 3/28/00 (wording change)

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 6

SUBJECT: BOUNDARY LINES OF THE COOPERATIVE SERVICE AREA

I. OBJECTIVE: To establish boundaries for areas serviced by the Clinton County Electric Cooperative, Inc.

II. POLICY:

A. The boundary lines defining the areas serviced by the Cooperative shall be all of Clinton County and portions of Fayette, St. Clair, Madison, Marion and Washington Counties, as delineated in Map Exhibits one (1) through four (4) of the Service Area Boundaries Agreement between Illinois Power Company and the Clinton County Electric Cooperative, Inc., dated May 8, 1972, and as may be amended, and also possible agreements with other utilities. The originals of these exhibits are on file in the Cooperative's office and are incorporated by reference.

DATE ADOPTED: 2/16/88

DATE AMENDED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 7

SUBJECT: PETTY CASH

I. OBJECTIVE: To establish a Petty Cash fund for payment of miscellaneous expenses.

II. POLICY:

A. The Cooperative may maintain a "Petty Cash" Fund on its premises for the purpose of providing cash for reimbursements of small cash items purchased by employees on behalf of the Cooperative and for which they have a receipt. This Fund shall not exceed \$200.00.

1. The President, or his designee, shall see that a "Petty Cash" fund is established for the purposes set above.

2. The "Petty Cash" fund shall be maintained in a safe place at the Cooperative and shall be reimbursed as necessary.

DATE ADOPTED: 4/19/88

DATE AMENDED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 8

SUBJECT: AUDIT OF COOPERATIVE RECORDS

I. OBJECTIVE: To establish and set forth the manner, procedure and selection of an accounting firm to conduct an audit of the financial records of the Clinton County Electric Cooperative, Inc. as specified in the Bylaws; and to establish and set forth the manner in which such audit shall be carried out and prepared and presented to the Board of Trustees for approval.

II. POLICY: In accordance with the Bylaws of the Cooperative, the Board of Trustees shall cause to be made a full and complete audit of the accounts, books and financial conditions of the Cooperative after the close of each fiscal year.

A. SELECTION OF AUDITORS:

It shall be the responsibility of the Board of Trustees to select a firm of Certified Public Accountants to perform a complete audit of the financial records of the Cooperative on an annual basis, considering recommendations of the President. Details of coordinating the audit with other functions will be the responsibility of the President.

B. AUDITORS FUNCTION:

1. The Auditors shall review all financial operations for the last Fiscal Year of operation of the Cooperative and shall prepare a complete written report, including any recommendations for changes and disclosing any discrepancies, and shall present such report for review by the President and the Board of Trustees.

2. The President and any staff members which he may designate, will work with the auditors with a spirit of cooperation and make available all pertinent records and other related financial information to the auditors while they are engaged in their audit work.

C. PRESENTATION OF AUDIT REPORT:

The Auditors shall prepare a complete and detailed report for review by the President and the Board of Trustees. The Auditors shall prepare sufficient copies of their report to be presented to each member of the Board of Trustees, the President and others that, from time to time, require copies.

DATE ADOPTED: 2/16/88

DATE AMENDED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS
GENERAL POLICIES**

SUBJECT: ANNUAL OPERATING AND CAPITAL EXPENDITURE BUDGET	POLICY NUMBER: 9
EFFECTIVE DATE: 02/16/1988	
REVISED DATE(S): 12/20/1988, 03/28/2000	

I. OBJECTIVE

Recognizing that creation, adoption and administration of an Annual Operating and Capital Expenditure Budget is a valuable tool in forecasting, planning and setting of goals for the coming year, it is the policy of the Cooperative to follow the procedure listed below.

II. POLICY

1.01 Preparation of Budget. The President shall prepare an operating [meaning a projection of income and expenditures] and a capital expenditure [meaning a request for approval of purchase of capitalized assets] budget (“Budget”) for the year following the year in which the budget is prepared. The Budget shall take into consideration the expansion and growth of the Cooperative, the orderly and economic operation of the Cooperative, and the needs of the member-consumers of the Cooperative.

1.02 Review and Approval. The trustees shall be given a draft of the proposed calendar year Budget at the November board meeting prior to the beginning of the ensuing year. The draft of the budget may be discussed by the trustees at any meeting after delivery of the Budget; and the trustees or the President may take action to alter the Budget at any time prior to final action on the Budget by the Board. It is the intent of this Policy for the trustees to adopt the Budget prior to the end of the calendar year prior to the effective date of the Budget. If the Budget is not adopted by the trustees prior to the end of the calendar year prior to the effective date of the Budget, then no capital expenditures may be made by the President until after adoption of the Budget. The approval of the capital expenditure portion of the Budget shall represent the authority for the President to purchase the capital assets in the approved Budget and to use the approved Budget as the guide for financial planning

and expenditures for the calendar year of the Budget. The Board may call a special Board Meeting for the sole purpose of Budget review and possible approval.

1.03 Changes in the Approved Budget.

1.03.01 Changes in the Approved Budget that are < \$5,000.00

In an effort to allow some flexibility within a changing environment the President has the authority to expend up to \$5,000 on non-budgeted capital or operating expense items without approval from the Board. The President must present a list of those expenditures at the board meeting following the expenditure. While the goal of section 1.03.01 is to provide the President flexibility to operate in an ever changing environment, there also needs to be a control in place so that this flexibility is not abused. The maximum annual expenditures under this section shall be no more than \$25,000 per calendar year.

1.03.02 Changes in the Approved Budget that are > \$5,000.00

The President must request approval of any expenditure that has not been incorporated within the Approved Budget, (capital as well as operating), that is greater than \$5,000.00. These change requests will be referred to as Budget Addendums. This would include projects and programs that have a change in scope.

	,Chairman	Date: April 26, 2011
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**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 10

SUBJECT: EMPLOYMENT PRACTICES

I. I. OBJECTIVE: To establish guidelines for employment practices of the Cooperative and the responsibility for administering such practices.

II. POLICY:

A. CONTENT:

- 1. Clinton County Electric Cooperative, Inc. will recruit, employ and promote employees in all job classifications without regard to race, color, sex, age, religion, national origin, veteran status or handicapping conditions, except where any of those factors is a bona fide occupational qualification.**
- 2. Clinton County Electric Cooperative, Inc. will base employment and promotional decisions solely upon an individual's qualifications for the position to be filled.**
- 3. Clinton County Electric Cooperative, Inc. will continue to ensure that all terms and conditions of employment and all personnel actions such as compensation, benefits, transfers, layoffs, recalls, disciplinary action, training programs, educational programs, tuition aid, facilities, social and recreational programs, (to the extent that any of the foregoing currently exist or will in the future be adopted), will be administered without regard to race, color, religion, sex, national origin, veteran status or handicapping conditions.**
- 4. Clinton County Electric Cooperative, Inc. will establish hiring practices and programs that will afford all applicants equal employment opportunities; Clinton County Electric Cooperative, Inc. will establish a central program to evaluate objectively the utilization of qualified female and minority personnel in all occupational categories in compliance with the law.**
- 5. Clinton County Electric Cooperative, Inc. will not tolerate any instances of racial or sexual harassment; any such examples should be reported immediately to the employee's immediate supervisor or the President.**
- 6. Clinton County Electric Cooperative, Inc. will continue to update and implement its Affirmative Action Plan in order to ensure that its objectives and goals are being met.**
- 7. An Equal Employment Opportunity/Affirmative Action Coordinator will be charged with the responsibility for developing, implementing and reporting on Equal Employment Opportunity/Affirmative Action activities at Clinton County Electric Cooperative, Inc.**

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 10, CONTINUED

B. RESPONSIBILITY AND AUTHORITY:

1. All persons seeking employment with the Cooperative are responsible for completing an "Application for Employment" provided by the Cooperative and are responsible for any and all information provided in such application.
2. The President is responsible for approving the standards and qualifications for the recruitment, transfer and promotion of persons employed or applying for employment with the Cooperative. The President shall refer to the Cooperative's existing file on current legislation regarding Equal Opportunity and/or Affirmative Action.

C. ADMINISTRATION:

1. The President will review and approve all applications for employment with the Cooperative.
2. All salary and wages for applicants for employment and employed personnel of the Cooperative shall be determined by the President.
3. The President may conduct labor surveys as necessary to determine salaries paid for comparable jobs in the area in which the Cooperative recruits personnel and may make adjustments where appropriate, or applicable, in establishing salary and wage rates.
4. The President may evaluate new and re-evaluate existing positions. As a result of such evaluation and/or re-evaluation, the President may adjust wage and salary levels, providing such adjustments are within the approved budget of the Cooperative.
5. The President may develop and conduct performance appraisals of Cooperative personnel and positions, as he deems necessary, in order to assist him and his staff in the evaluation and improvement of employee performance.

DATE ADOPTED: 2/16/88

AMENDED: 3/28/00 (wording change)

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 11

SUBJECT: AUTHORIZED SIGNATURES

I. OBJECTIVE: To identify personnel and officers with the authority to bind the Cooperative to contractual agreements.

II. POLICY:

A. Authorized signatures on checking accounts, special funds, securities, notes, drafts or orders so drawn shall be by resolution of the Board of Trustees of the Clinton County Electric Cooperative, Inc. Unless otherwise authorized by the Board of Trustees, any combination of two of the persons holding the following titles or job classifications of the Cooperative are designated as authorized signatures on behalf of the Cooperative.

- 1. Chairman of the Board of Trustees.**
- 2. Vice-Chairman of the Board of Trustees.**
- 3. Secretary-Treasurer of the Board of Trustees.**
- 4. President of the Cooperative.**
- 5. Manager of Administrative Services**
- 6. Manager of Operations**
- 7. Bookkeeper**

B. The resolutions shall continue in force and any said bank or financial institution may consider the facts concerning the holders of said offices or job classifications and their signatures to be and continued as set forth in the certificate of the Secretary-Treasurer accompanying a copy of the resolution when delivered to said bank or financial institution or in any similar subsequent certificate until written notice to the contrary is duly served on said bank or financial institution.

C. The President shall notify all banking institutions and financial institutions concerned of persons designated as "Authorized Signatures" in accordance with the authorization and policy of the Board of Trustees.

D. The President shall furnish signatures and such other information to the bank or other financial institutions that require the administration of the Cooperative's account.

DATE ADOPTED: 2/16/88

AMENDED: 3/28/00 (wording change)

AMENDED: 1/29/02

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 12

SUBJECT: MEMBERSHIP MAILING LIST

1. OBJECTIVE: To establish the availability and use of a listing of the members of Clinton County Electric Cooperative, Inc.

II. POLICY:

A. The membership listing of the Cooperative is to be regarded as private information of the Cooperative. In order to protect the member/consumers from receiving bulk or wholesale mailings as a result of being a member and to prevent implied Cooperative endorsement of goods, services or political issues, mailing lists will not be made available to any person, firm, organization or cause that is not directly performing a service under contract with the Cooperative.

B. Members desiring the Cooperative's mailing list will be requested to execute a "Member Information Request Form."

C. The Board of Trustees shall from time to time authorize the use of the membership list to other associations engaged directly with the activities of the Cooperative. Those presently authorized to the use of the mailing list are:

- 1. Association of Illinois Electric Cooperatives for the mailing of the Cooperative Newsletter, Annual Meeting Notices and Annual Reports, Newsletters and other material or publications prepared by Clinton County Electric Cooperative, Inc. for distribution to its members.**
- 2. Data processing service for the preparation of the consumer monthly billings as directed by the Cooperative, cellular prospects and the Cooperative's Answering Service.**

D. The confidentiality of the individual member/ consumer shall be the prime goal in the administration of this policy.

III. RESPONSIBILITY:

A. The Board of Trustees shall be responsible for the approval of recipients of the membership list. The President shall be responsible for the administration of this policy.

DATE ADOPTED: 2 /16/88

DATE AMENDED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 13

SUBJECT: NO-SMOKING POLICY

I. OBJECTIVE: To establish a policy regulating the carrying, smoking, burning, inhaling, or exhaling of any kind of lighted pipe, cigar, cigarette, hookah, weed, herbs or any other lighted smoking equipment, hereinafter defined as smoking, on Clinton County Electric Cooperative (CCEC) property, consistent with Public Act 095-0017 and known as the Smoke Free Illinois Act, 410 ILCS 82/1 et. seq.

II. POLICY:

A. No person shall smoke:

- 1. inside any building owned or occupied by CCEC;**
- 2. within 15 feet of any entrance to any building owned or occupied by CCEC;**
- 3. in any vehicle owned, leased or operated by CCEC; or**
- 4. at any other location controlled by CCEC or where CCEC representatives are acting on behalf of the CCEC when doing so subjects other parties to secondhand smoke.**

B. CCEC shall clearly and conspicuously post within the buildings and other locations where smoking is prohibited "No Smoking" signs in the form required.

C. Ashtrays and other articles/paraphernalia to facilitate smoking shall be removed from any area where smoking is prohibited.

D. Violations of this policy will subject employees to disciplinary action as provided by CCEC Policy No. 425, Work Rules and Terminations, Dismissals and Resignations of Personnel and all violators to the enforcement and penalty provisions of Section 40 of the Smoke Free Illinois Act.

DATE ADOPTED: 7/24/90

AMENDED: 3/28/00

AMENDED: 11/25/08 Yeas _____ Nays _____ Abstains _____

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS 62230**

GENERAL: POLICY NO. 15

SUBJECT: SAVINGS PROVISION

I. POLICY:

A. If any provision of any of these policies, or any application thereof, should be rendered or declared unlawful, invalid, or unenforceable by virtue of any judicial action, or by any existing or subsequent enacted Federal or State Legislation, or by Executive Order, or other competent authority, the remaining provisions of these policies shall remain in full force and effect. In such event, the Board of Trustees shall, as soon as practical, meet with respect to substituting provisions for those provisions rendered or declared unlawful, invalid, or unenforceable.

DATE ADOPTED: 4-23-96

Yeas – 9; Nays – 0; Abstains – 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

GENERAL: POLICY NO. 16

SUBJECT: RECORD RETENTION

I. OBJECTIVE:

The objective of this policy is to ensure the retention of all records created by or for the cooperative, whether paper or electronic, that are necessary or advisable to retain for: business operations; accounting, audit, tax and financial purposes; compliance with applicable law; possible future use in litigation involving the cooperative; and possible future use in an official proceeding or governmental investigation or other matter. Other records, which are not necessary to retain for these reasons, shall be destroyed in accordance with the guidelines set forth in this policy.

II. POLICY:

Records of the cooperative, which may be in electronic or paper form, shall be retained in accordance with these guidelines. Records not needed to be retained shall be destroyed after the requisite retention period, if any, has passed. An ongoing record will be maintained that details the destruction of records. Pending or potential litigation, governmental investigation and other circumstances may require a “stop” or suspension of regularly scheduled destruction of records. Employees will be promptly notified of any such stop by the Director of Administration & Finance.

NECESSITY OR USEFUL LIFE OF RECORDS

1. Records required to be kept by applicable federal, state, or local laws
2. Records necessary to document the cooperative’s compliance with applicable laws and regulations
3. Records that are advisable to be kept because of unusual event such as litigation or government investigation
4. Records critical to the operations of the business or necessary for other business reasons
5. Records not necessary for legal or business reasons, and therefore appropriate for destruction at some point in time.

RETENTION TIMEFRAMES FOR SPECIFIC CATEGORIES OF RECORDS

Individual records within specific record categories listed below may have differing levels of necessity or useful life. Listed below for each record retention category please find the defined retention period such as permanent, years, months, or weeks; the storage method and location, and whether the records are confidential.

General correspondence/internal memoranda	3 years	Central Files
General Corporate records	Permanent	Central Files
Legal files and papers	Permanent	Central Files
Contracts	12 years from expiration date	Central Files
Pension documents/supporting data	Permanent	Central Files
Personnel Records	Permanent	Central Files
Insurance Records	5 years	Central Files
Insurance Policies	Permanent	Central Files
Accounting & Financial Records	7 years	Central Files
Tax Records	7 years	Central Files
Payroll Documents	7 years	Central Files
Plant & Property Records	Permanent	Central Files
Safety & Environmental Records	7 years	Central Files
Operational Documents	7 years	Central Files
Service Records	3 years	Central Files
Sales & Marketing Records	3 years	Central Files
General/Other	7 years	Central Files

The Board of Directors of Clinton County Electric Cooperative, Inc. hereby delegates authority to implement the procedures necessary to effectuate this policy.

The President/COO has assigned the Manager of Administrative Services as the person responsible for implementing the Record Retention Policy.

Every employee, director and agent of Clinton County Electric Cooperative, Inc. is required to comply with this policy.

Any employee, director, or agent of Clinton County Electric Cooperative, Inc. that becomes aware of non-compliance of this policy shall report the non-compliance to the President/COO, the Manager of Administrative Services, the Cooperative Attorney or staff personnel.

This policy shall be reviewed with Clinton County Electric Cooperative, Inc. employees and directors annually.

DATE ADOPTED: 11-27-07 Yeas 9 Nays 0 Abstains 0

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.

POLICY BOOK

SERIES 100 - MEMBER POLICIES

POLICY NO.	POLICY TITLE/DESCRIPTION	DATE ADOPTED	DATE AMENDED	DATE AMENDED	DATE AMENDED
100	Member Requests for Cooperative Information (Includes Request Form)	2/16/1988	3/28/2000 (wording change)	5/23/2006	5/24/2011
101	Electric Service to Members in Cooperative Service Area	2/16/1988	12/20/1988	9/28/1989	10/25/2005
102	Line Extension - Temporary Service - Line Relocation - Right-of Way Clearing - Service Connection Fees, Etc. (Includes Form LC-1)	5/22/2001 (eff 1/01/2002)	1/29/2002 12/28/2004	5/28/2002 4/26/2005 (pg 5)	5/26/2004 8/23/2005 (pages 1 & 6)
		2/28/2008	3/25/2008	1/29/2009	
103	Non-Emergency Vegetation Management	11/26/2002			
104	Identity Theft Prevention - "Red Flag Policy"	10/28/2008			
105	Truck, Equipment & Labor Charges (Includes Loan-Out Agreement & Sign Out Sheet)	2/16/1988	12/20/1988	3/28/2000	
106	Used Pole Release (Includes Release Form)	5/17/1988			
107	Public Notice of Rules (Includes Actual Notice)	7/25/2000			
108	Trip Charges & Other Re-Connection Expenses	7/25/2000	1/28/2003	9/28/2004	10/25/2005
109	Discontinuance of Service; Termination of Electric Service During Cold Weather; Continuance of Residential Service When Permanent Resident is Seriously Ill; Disconnection of Master-Metered Apartment Buildings (Includes Addendums)	7/25/2000	5/23/2006		
110	Direct Debits; Checks; Insufficient Funds, Stopped Payment, Account Closed and/or No Checking Account & Other Insufficient Forms of Payment	7/25/2000	5/23/2006		
111	Budget Payment Plan (Includes Application & Agreement)	7/25/2000			
112	Deferred Payment Agreement (Includes Agreement)	7/25/2000			
113	Past Due Bills & Late Payment Charges	7/25/2000			
114	Electric Service Deposits (Includes Procedures & Initial Deposit Schedule)	2/16/1988 2/25/2003	2/25/2008 10/25/2005	10/25/2005	7/25/2011
115	Dispute Procedures	7/25/2000			
116	Damage to Cooperative Equipment and/or Property	2/16/1988			
118	Meter Test Request	2/16/1988	5/23/2006		
121	Meter Seals	2/16/1988	3/28/2000		
122	Advanced Billing	2/16/1988	12/20/1988	11/27/1990	3/28/2000
125	Seasonal Disconnects & Reconnects	2/16/1988	12/20/1988	2/27/2007	
126	Interconnection & Parallel Operation of Generated Equipment	2/28/2008			
127	Net Metering & Cooperative Purchase of Excess Member Owned Generation Capacity	2/28/2008			
128	Security Lighting	2/16/1988	12/20/1988	7/25/2000	

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS
MEMBER POLICY**

SUBJECT: MEMBER REQUESTS FOR COOPERATIVE INFORMATION	POLICY NUMBER: 100
EFFECTIVE DATE: 02/16/1988	
REVISED DATE(S): 03/28/00, 05/23/06	

I. OBJECTIVE

To enable any Cooperative member to obtain information about their Cooperative, including an explanation of such information to gain the members' understanding of the Cooperative's goals, objectives and operations

II. POLICY

A. The Cooperative will make every effort at all times to keep the membership fully informed and to be as completely transparent with its member/owners as possible, while protecting confidential information that is crucial to the Cooperative. All members shall be provided access to information, which directly affects their involvement in, and patronage of, the Cooperative. Information will be delivered in two methods, (1) via the Cooperative's website at www.cceci.com or by written request.

1. List of information available via the website (www.cceci.com):
 - a. Articles of Incorporation
 - b. Bylaws
 - c. Series 00-General Policies, Series 100-Member Policies, Series 200-Trustee Policies
 - d. Approved Operating and Financial Reports – Monthly form 7's
 - e. Rate Schedules
 - f. Member Billing History – An individual member may only request and be entitled to review member's own personal billing history. Member will use email address (User ID) and password to access their personal information.

2. Approved minutes of Regular Meetings of the Board of Trustees will be posted in the lobby of the headquarters
3. List of information available by written request:
 - a. All Approved Contracts Entered Into by the Cooperative with Wholesale Power Suppliers
 - b. Current Membership List (as per section II.B. below)
 - c. Cooperative's Annual Tax Return – IRS Form 990
 - d. Approved minutes of regular meetings of the Board of Trustees. These will also be posted in lobby of headquarters.
 - e. Approved audit reports

If a member has any questions about any of the above information, a reasonable attempt will be made to answer the member's question or concern with time allowed to consult with the Cooperative trustees and attorney, as necessary.

- B. The books and records of the Cooperative are private and shall be accessible to non-members only upon court order. Members who wish to examine them may do so after receiving permission from the Board, by filling out a request form stating a proper purpose. Members who wish to make mailings to other members for a proper purpose may do so by providing the necessary copies of material to be mailed, together with sufficient postage, in time for the Cooperative to make the desired mailing. A proper purpose is one related to accomplishing the goals of the Cooperative. (Article 6, Section 6.14 of Clinton County Electric Cooperative Inc. Bylaws).
- C. A reasonable charge may be imposed upon a member requesting copies of any other Cooperative information and the Cooperative shall be afforded a reasonable amount of time to fulfill such requests.

III. LIMITATIONS

- A. Other information will be provided except that which is confidential or private information concerning the individuals employed by the Cooperative such as:
 1. Confidential information that will not be provided without a court order:
 - a. Hourly wages and/or salaries and fringe benefits of specific employees.
 - b. The personnel file and other records of any employee (including the President). In the event there are personnel file or records of any other person, including

former employees, those files and records shall also be confidential.

- c. If a member wants to know how the Cooperative determines the compensation of employees, the President, or his designee, will explain the procedure used by the Cooperative and management to determine such compensation.
- d. Any information that constitutes a trade secret, process, program, trademark or other legally protectable, confidential information or thing owned, or protected in confidentiality by contract, by the Cooperative. The Cooperative will not release any information or data in relation to any pending lawsuit against it, any of its officers or employed personnel, except upon appropriate Court order or upon the advice of counsel, approved by the Board of Trustees.
- e. Any reports, minutes or drafts of pending contracts or agreements currently under consideration or negotiation by the Board and/or management or the Board's representative

IV. RESPONSIBILITY

The President will be responsible for the administration of this Policy and shall seek the advice and counsel of the Cooperative Board of Trustees and/or Attorney, as necessary.

	, Chairman	Date: May 24, 2011
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MEMBER INFORMATION REQUEST

NOTE:

No information concerning the Cooperative, its members, personnel, trustees, agents, employees or operations shall be made available (except for routine information covered in the Cooperative's Policy No. 100) unless the requesting member completely fills out and executes this information form.

REQUESTING MEMBER NAME, ADDRESS, AND TELEPHONE NUMBER:

(Each member must submit a notarized form.)

STATE SPECIFICALLY WHAT INFORMATION IS BEING REQUESTED:

STATE SPECIFICALLY WHY YOU WANT SUCH INFORMATION AND TO WHAT USE YOU WILL OR MAY PUT IT:

IF YOU ARE REPRESENTED BY AN ATTORNEY IN THIS REQUEST, PLEASE STATE SUCH ATTORNEY’S NAME, BUSINESS ADDRESS AND TELEPHONE NUMBER.

IT IS UNDERSTOOD AND AGREED THAT, BY EXECUTING THIS REQUEST FOR INFORMATION, YOU AGREE THAT YOU WILL NOT YOURSELF PUT, OR PERMIT OTHERS TO PUT, SUCH INFORMATION TO A USE OTHER THAN THAT STATED ABOVE.

IN WITNESS WHEREOF, the undersigned has/have set his/her/their hands and seals this _____ day of _____, _____.

(Member’s Signature)

Date: _____, 20 _____

STATE OF ILLINOIS)
)
COUNTY OF _____)

I, _____, in and for _____ County, in the State aforesaid, DO HEREBY CERTIFY THAT _____ personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial seal this _____ day of _____, A.D. 20 _____.

Notary Public

ACTION TAKEN*

Date: _____, 20 _____

Signed: _____

Title: _____

*To be completed by Cooperative Only

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 101

SUBJECT: ELECTRIC SERVICE TO MEMBERS IN THE COOPERATIVE SERVICE AREA

I. OBJECTIVE: To establish proper procedures for applicant/members requesting electric service within the Cooperative service area.

II. POLICY:

A. The Clinton County Electric Cooperative, Inc. will extend electric service to an applicant/member within the Cooperative service area, as defined in Cooperative Policy No. 6. Applicant/member must also be within Cooperative service area as defined in area agreements the Cooperative has with other electric utilities.

B. The applicant/member must agree to comply with, and be bound by, the Articles of Incorporation and the Bylaws of the Cooperative and any other Policies concerning line extensions, as adopted by the Board of Trustees of the Cooperative.

C. The applicant must complete and sign a membership form with the Cooperative, pay the fees, as required, and provide all information requested.

D. Refer to Policy No. 114 for details on deposits and/or fees.

E. No service will be connected, nor no line extension made, until the above-mentioned fees are paid in full, and all information requested is received.

F. Applicant/member will not be discriminated against for reasons of religion, race, color, sex or national origin.

DATE ADOPTED: 2/16/88

DATE AMENDED: 12/20/88

WORDING CHANGE: 9/28/89

DATE AMENDED: 10/25/05 Yeas 9; Nays 0; Abstains 0;

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS

MEMBERS: Policy No. 102

SUBJECT: Line Extension - Temporary Service - Line Relocation -
Right of Way Clearing - Service Connection Fees - Etc...

I. OBJECTIVE:

- A. It is the policy of Clinton County Electric Cooperative, Inc. (hereinafter called "Cooperative") to provide electric service to members (applicant, applicants, developer or property owner) in the Cooperative's service area at uniform terms and conditions for line extensions to various classifications of members having like service characteristics and requirements.
- B. The Cooperative shall not provide facilities where there are engineering, operational, construction, safety or legal problems which would, in the Cooperative's judgement, due to cost make it inadvisable to make the installation unless the member assumes responsibility for payment of the excess cost.

II. POLICY:

- A. Each member shall cause the following to be done before the Cooperative begins construction, refer to the applicable service/line extension provisions of this policy, and adhere to the rules established in this policy.
 - 1. Each member to whom electric service is extended shall execute individual agreements covering conditions and costs for the service or conversion.
 - 2. There shall be a service connection fee of \$500.00 for single-phase accounts and a service connection fee of \$750.00 for multi-phase accounts. This fee includes the initial meter connection fee. Changes will be increased for service drops and primary extension in excess of maximums established by this policy.
 - 3. Each property owner shall furnish, at no charge, all necessary easements for electric facilities as required by the Cooperative.
 - 4. Each member may be required to uncover member-owned existing underground facilities in the path of any proposed underground electric lines so that their depth may be known. These facilities include, but are not limited to member-owned: telephone, gas, cable TV, water, sanitary sewer, storm sewer, electric lines, oil pipe lines, drain lines, and irrigation lines.
 - 5. Members shall remove obstructions to permit normal construction methods using power operated equipment.
 - 6. Member shall provide the appropriate entrance to receive electric service.
 - 7. Member shall be required to clear trees and/or brush the appropriate distance for a new line prior to construction.
 - 8. Underground primary shall not be constructed along township, county or state roads unless allowed by the engineering department.
 - 9. The Cooperative shall initially backfill the trenching following installation of underground facilities. Thereafter, any additional backfilling shall be the member's responsibility.
 - 10. No line construction shall begin until all of the above requirements are met and all required cost paid.
 - 11. The Cooperative will supply a "standard" meter base, not the meter loop.

B. Primary - Electric Line Extension Charges (nonrefundable):

Overhead construction is the standard means of primary line extension.

1. Electric Line Extension Allowance – Single Phase Primary

To permanent, year round residential, commercial & industrial members.

1320 feet allowance

Cost over allowance - \$4.00 per foot for overhead

Cost over allowance - \$7.00 per foot for underground (see section 3b below)

(length is total wire footage including tails)

2. Electric Line Extension Allowance – Multi-Phase Primary

To permanent, year round residential (farm), commercial & industrial members. To qualify for a multi-phase service, the facility shall have at least one (1) motor of 15 HP or larger or an accumulation of smaller motors of 30 HP or more.

1320 feet allowance

Cost over allowance - \$6.00 per foot for two-phase overhead

Cost over allowance - \$8.00 per foot for three-phase overhead

Cost over allowance - \$12.00 per foot for two-phase underground (see section 3b below) (length is total wire footage including tails)

Cost over allowance - \$16.00 per foot for three-phase underground (see section 3b below) (length is total wire footage including tails)

3. a. If primary underground is at the Cooperatives request then the footage allowance and costs apply as if the extension were overhead primary.

b. If primary underground is at the member's request, and the Cooperative's engineering department agrees that installation of primary underground will not be to the detriment of the Cooperative, then the member shall pay:

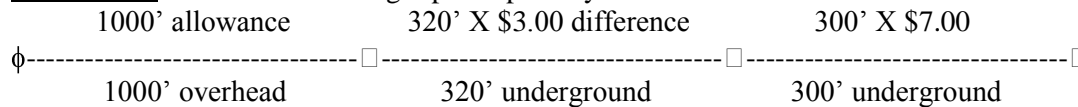
1. \$3.00 per foot difference for single phase primary up to the footage allowance and \$7.00 per foot cost over the allowance

2. \$6.00 per foot difference for two-phase primary up to the footage allowance and \$12.00 per foot cost over the allowance.

3. \$8.00 per foot difference for three-phase primary up to the footage allowance and \$16.00 per foot cost over the allowance

Plus \$1.25 per foot for 2 inch duct if requested or required by the Cooperative.

EXAMPLE: 1620 feet of single-phase primary line extension



- C. **Secondary – Service Drop** - Electric Line Extension Charges (nonrefundable): Overhead construction is the standard means of secondary line extension. See section C1 below for underground service drop provisions.
(For purpose of this policy secondary and service drop shall be used interchangeably.)

To reduce potential voltage problems all service drops will be limited to a maximum of 150 feet. There will be no charge for an overhead single or three-phase service drop. The Cooperative's service stops where the meter is located except for current transformer metered locations.

If a lift pole(s) is required, add an additional \$250.00 per pole.

1. a. If secondary underground is at the Cooperatives request then the allowance and costs apply as if the extension were secondary overhead.
- b. If secondary underground is at the member's request, and the Cooperative's engineering department agrees that the installation will not be to the detriment of the Cooperative, then the member will pay:
 1. secondary - service drop – single phase underground: \$ 4.00 per foot
 2. secondary - service drop – three phase underground: \$ 6.00 per foot

All service drops are limited to a maximum of 150 feet.

D. Temporary Service - Electric Line Extension Charges

1. A temporary electric service drop that requires only the installation and removal of a transformer (that will not be used for a permanent service) shall pay a fee of \$250.00 which does not include membership or connect fees.
2. A temporary electric service that requires additional facilities shall also pay the entire estimated cost of installing and removing the additional temporary service. These additional cost include, but are not limited to, cost of installation and
3. Removal of poles, wires, transformers, meter equipment, other facilities and maintenance incurred as part of the installation and removal.
4. The Cooperative has the right to install a transformer of large enough capacity needed for temporary service that is to become a permanent service connection. The minimum bill, under the rate schedule applicable for such a permanent connection, shall apply from the day the transformer is energized. No special rate shall be allowed during the time of construction while only temporary service was being used.

E. Incremental Cost:

- | | |
|---------------------------------------|------------------|
| 1. Conventional or Directional Boring | \$10.00 per foot |
| 2. Backhoe | \$65.00 per hour |

F. Seasonal, Non-Permanent, Depleting Resource, Indeterminate Service:

1. For electric service such as oil wells, gas wells, cabins, camping trailers, mobile homes (not on a permanent foundation), or isolated electric service such as pumps, grain bins, machine sheds, barns, feed lots, livestock or confinement buildings and any other facilities that due to their nature operate intermittently and have low energy usage and/or do not provide a reasonable payback on the Cooperative's investment. The Cooperative shall be the sole judge as to which accounts fall into this category of service.
2. The above types of accounts shall be charged for all line extension cost based on the greater of, (1) "cost over allowance" prices per foot for the permanent accounts \$5.00 per foot for 1 phase, \$7.00 per foot for 2 phase and \$9.00 per foot for 3 phase, or (2) as calculated on Form LC-1.

If within five (5) years, an additional member is connected to the already existing line, or to an extension of the line, the charges to all consumers on the old or new extension shall be computed based on the original cost.

3. The Cooperative will only construct and maintain overhead service to the above-mentioned locations (see Item F.1.). The member shall be responsible for clearing a right-of-way of twenty-five (25) feet on each side of the overhead line. Failure to maintain this clearance, using tree trimmers qualified to work in the proximity to energized overhead electric lines, shall result in disconnection of service to the affected location. Members, at their own expense, may install and maintain secondary underground past the meter location.

G. Overhead Transmission Service:

The Cooperative shall extend available overhead transmission service (in excess of 12,500 volts) after the member agrees to an applicable or special rate schedule specifying demand and energy charges, minimum billing amounts, facility charge, modification of wholesale rate, term of contract, cancellation charges, etc.

Transmission members shall be handled on a case by case basis and shall be under such terms and conditions to protect the then existing members from assuming an undue burden which may result from the addition or loss of loads of this magnitude.

H. Developers and Contractors:

1. The following electric line extension rules are for developers and/or contractor that extend electric facilities to lot lines to serve numerous electric services such as subdivisions, cluster homes, strip malls, etc.
2. The developer/contractor shall furnish two (2) copies of the certified, recorded, plat showing the location and nature of the area, with all necessary easements shown, which the electric line extension is being requested for subdivisions or developments of two (2) lots or more. The developer/contractor shall also provide a digital version of the plans/layout of the area in CAD/.dwg (version 2002 or newer) format or as may be required in the future.
3. The Cooperative shall provide single phase primary electric service at the following cost to the developer:
 - a. A refundable deposit of \$500.00 per lot shall be made by the developer before construction is started if the extension is more than 1320 feet. A refund of \$500.00 will be paid for homes as they are constructed.
 - b. **OVERHEAD LINE:** 1320 feet shall be allowed at no cost, then a charge of \$4.00 per foot will be charged.
 - c. **UNDERGROUND LINE:** 1320 feet shall be at the cost difference between overhead and underground construction, then a charge of \$7.00 per foot will be charged, plus \$1.25 per foot for 2 inch duct if requested or required by the Cooperative.

These costs are for the developer only and are intended to provide for a service point at every other lot corner. Any extensions of service from these tap points shall be borne by the member under the appropriate section of this policy.

I. Line Relocation and/or Conversion of Existing Overhead to Underground:

The Cooperative shall relocate and existing overhead electric line, pole, guy, anchor, meter pedestal, service entrance, underground primary or secondary, pad mount transformer or meter location upon request by the member but only after the Cooperative Engineering Department has agreed with the member on the location and only after the member requesting the change has agreed to pay the cost involved in advance.

1. When the member request a move of a single pole, guy, anchor, meter location meter pedestal or pad mount transformer, agreed to by the engineering department, the member shall be responsible and required to pay for all of the cost of such move, including, but not limited to, labor, overhead, and material costs which can not be salvaged.
2. When a member request an existing overhead distribution line be relocated, and the move does not benefit the Cooperative, the relocation shall be done only after the new location is agreeable to the engineering department. The member shall be responsible for all cost including, but not limited to, labor, overhead, and material which can not be salvaged.
3. When a member request an overhead distribution line be relocated and installed underground, and the change does not benefit the Cooperative, and the engineering department agrees on the new underground location, the member shall be responsible for all of the cost of retirement, including, but not limited to, labor, overhead, and material which can not be salvaged. The member shall also be responsible for paying the difference in the cost of the underground line installation versus an overhead distribution line.
4. The engineering department shall present an estimated bill to the member requesting any of the above changes. This estimated bill shall be paid in full prior to any work being done by the Cooperative. After all work is completed, and all cost involved computed, the member shall then refunded any excess charges or billed for any additional charges. No interest shall be paid or charged on any such monies.
5. Should any of the relocations be requested by the Cooperative, the member shall not be responsible for any of the cost involved unless the original location of such facilities have be altered or made inaccessible by the member or at the member's location.
6. O.H.Conversions (1,320 feet allowance). To qualify, the facility shall have at least one (1) three-phase motor of 15 HP or larger or an accumulation of smaller motors of 30 HP or more.
 - single phase to two phase - \$3.00 per foot
 - single phase to three phase - \$4.00 per footNo portion of the above cost is refundable if future accounts connect to this section of line after two (2) years from the date energized.
7. The Cooperative reserves the right to use its form LC-1 if the extension or conversion is considered by management and/or the engineering department to be excessive in cost or length or a non-typical straight-line construction.

Date adopted: May 22, 2001 Effective Date: January 1, 2002 Yeas 9 ; Nays 0 ; Abstains 0

Amended: January 29, 2002 Yeas 9 ; Nays 0 ; Abstains 0

Amended: May 28, 2002 Yeas 9 ; Nays 0 ; Abstains 0

Amended: May 25, 2004 Yeas 9 ; Nays 0 ; Abstains 0

Amended: December 28th, 2004 Yeas 9 ; Nays 0 ; Abstains 0

Amended: (Page 5) 4/26/05 Yeas 9 ; Nays 0 ; Abstains 0

Amended: (Page 1 & 6) 8/23/05 Yeas 9 ; Nays 0 ; Abstains 0 EFFECTIVE IMMEDIATELY

Amended: (Page 1) 2/28/08 Yeas 9 ; Nays 0 ; Abstains 0 EFFECTIVE IMMEDIATELY

Amended: (Page 6) 3/25/08 Yeas 8 ; Nays 0 ; Abstains 0 ; EFFECTIVE IMMEDIATELY

Amended: 1/29/09 Yeas 9 ; Nays 0 ; Abstains 0 ; EFFECTIVE IMMEDIATELY

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

FORM LC-1

DATE: _____

NAME: _____ ACCOUNT #: _____

A. CONSTRUCTION COSTS:

1. Line Conversion 1 phase to 3 phase (labor & overhead) \$ _____
2. New Construction 1 phase (labor & overhead) \$ _____
3. New Construction 3 phase (labor & overhead) \$ _____
4. Retirement Labor (1/3 of line 2 or 3) \$ _____
5. Transformer Size _____ KVA @ \$ _____
6. Metering (meter & socket) @ \$ _____
7. R.O.W. Clearing @ \$ _____
8. Construction Material \$ _____
9. Material Salvage (3/4 of lines 5,6 & 8) \$ _____

B. TOTAL COST OF CONSTRUCTION

1. Less Deposit/Contribution in Aid of Construction _____ % \$ _____
2. Net Cost to Cooperative \$ _____
3. Amortize Line B2 over _____ years
Line B2 \$ _____ divided by _____ years = Annual Cost) \$ _____
4. Annual Cost of Electric Service – Power Cost
(Form 7, Part A (Line 19 – Line 3)
divided by Part C, Line 1 = _____ % (rounded to next even %)
Line B2 \$ _____ x's _____ % = \$ _____
5. Total Cost per year (Line 3 + Line 4) \$ _____/yr
6. Total Cost per month (Line B5 divided by 12 months) \$ _____/mo

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 103

SUBJECT: NON-EMERGENCY VEGETATION MANAGEMENT

I. OBJECTIVE:

- A. The primary objective of the Cooperative in regard to vegetation management activities shall be the trimming, removal, or chemical treatment of trees and/or brush that is near enough to the Cooperative's electrical system to result in the interruption of electric service. Trees or brush that do not meet these criteria should not be trimmed or removed unless it is in the best interest of the Cooperative to do so.**
- B. It is the objective of the Cooperative to tailor a non-emergency vegetation management policy to the unique set of circumstances and needs confronting the Cooperative's member owners.**
- C. It is also the objective of the Cooperative to comply with applicable laws and regulations dealing with non-emergency vegetation management, including American National Standard (ANSI) A300 (Part I)-2001, "For Tree Care Operations-Tree, Shrub & Other Woody Plant Maintenance – Standard of Practice," ANSI Z133.1-1994, "Tree Care Operations – Pruning, Trimming, Repairing, Maintaining and Removing Trees and Cutting Brush – Safety Requirements," and Dr. Alex L. Shigo's pamphlet, "Pruning Trees Near Electric Utility Lines."**
- D. It is the objective of the Cooperative to comply with applicable Occupational Safety and Health Administration (OSHA) regulations on non-emergency vegetation management.**

II. POLICY:

- A. The Cooperative will provide training for its applicable personnel on the above standards by a utility arborist as soon as possible, and thereafter conduct its non-emergency vegetation management activities in compliance with those standards.**
- B. The Cooperative will use reasonable efforts to notify affected member owners of non-emergency vegetation management activities and will attempt to provide that notice at least 21 days in advance. This notification may be by letter, post card, delivered, but published article in the Cooperative's newsletter, by telephone, or by personal contact. Notice to member owners shall include a statement that further information regarding affected areas is available at the Cooperative office. This notice will also state the vegetation management activities planned by the cooperative and the name of the Cooperative's representative available to discuss the program at the Cooperative's toll free number.**
- C. In cases where the Cooperative has a franchise, contract or written agreement (document) with a municipality or county mandating specific vegetation management practices, that document will control the Cooperative's vegetation management practices in that area.**
- D. The Cooperative may conduct non-emergency vegetation management procedures with no prior notice when permission is obtained from the member owner or member owners whose property or properties the non-emergency vegetation management work is to be done, or upon the request of the member owner.**

III. RESPONSIBILITY: Manager of Operations

Date Adopted: November 26, 2002 Yeas 8; Nays 0; Abstains 0

**CLINTON COUNTY ELECTRIC COOPERATIVE
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 104

SUBJECT: IDENTITY THEFT PREVENTION

I. OBJECTIVE

The purpose of this policy is to:

- A. Create an identity theft prevention program (Identity Theft Prevention Program) that helps to ensure the privacy and accuracy of member/consumer credit report information, reduces the incidence of identity theft and aids victims of identity theft by implementing standards of care and procedures allowing the detection, prevention and mitigation of identity theft when using member/consumer personal information within the possession of the Cooperative.
- B. Establish procedures to identify and respond to risk factors called “Red Flags” to detect, prevent and mitigate identity theft from the Cooperative’s member/consumer personal information.
- C. Implement procedures for responding appropriately to evidence of identity theft and unauthorized use of member/consumer personal information.
- D. Provide for staff training and periodic review and updating of the Identity Theft Prevention Program.
- E. Provide for oversight, implementation and administration of the Identity Theft Prevention Program by the Cooperative’s senior management and governing board of directors.
- F. Identify the proper purposes for which customer consumer reports, or credit information obtained from Consumer Reporting Agencies, may be used by the Cooperative.
- G. Comply with the Fair Credit Reporting Act of 1970, 15 U.S.C. Section 1681 et. seq. (FCRA), the Fair and Accurate Credit Transactions Act of 2003, 15 U.S.C. Section 605(h)(2) (FACT Act) and the Identity Theft Red Flag rules promulgated by the Federal Trade Commission on November 9, 2007 and found at 16 CFR Part 681.

II. POLICY:

A. DEFINITIONS

1. **“Consumer Report”** is defined as any written, oral or other communication of any information by a consumer reporting agency bearing on a consumer’s credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living which will be used at least partly to determine the consumer’s eligibility to receive and pay for services. Consumer Reports are commonly known as credit reports.
2. **“Consumer Reporting Agency”** (CRA) is defined as any person which, regularly engages in assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties. Examples include Equifax, TransUnion and Experian.
3. **“Covered Account”** means a utility account primarily for personal, family or household purposes and may include small business sole proprietor accounts where there is a reasonably foreseeable risk of identity theft.
4. **“Red Flags”** as used herein are patterns, practices or specific activities that taken together or alone, indicate the possible occurrence of identity theft, including the following:
 - a. Alerts, notifications, or other warnings received from CRAs or other service providers, such as fraud detection services, which include:
 - i. Fraud or active duty alert;
 - ii. Credit freeze notice; or
 - iii. Address discrepancy notice informing of a substantial difference between the address provided by the consumer and the address on file with the CRA.
 - iv. Inconsistent pattern of activity based on history and pattern of activity, such as recent and significant increase in volume of inquiries, unusual number of recently established credit relationships, a material change in the use of credit or an account that was closed for cause or abuse.
 - b. The presentation of suspicious documents. For example:
 - i. The application or identification documents appear to be altered or forged;

- ii. The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer;
 - iii. The documents are inconsistent with information provided by the customer; or
 - iv. The documents are inconsistent with readily accessible information on file with the Cooperative.
- c. The presentation of suspicious personal identifying information, such as when:
 - i. The personal identifying information is inconsistent when compared to other information on file with the Cooperative, from the member/consumer, or from external information sources (e.g., address discrepancies, an un-issued Social Security Number (SSN), or the date of birth does not match the corresponding SSN range).
 - ii. The member/consumer fails to provide all required personal information on an application or in response to notification that the application is incomplete.
 - iii. The personal identifying information matches that of known fraudulent activities.
 - iv. The personal identifying information is of a type commonly associated with fraudulent activity, such as invalid phone number, mail drop or prison address.
 - v. The address or telephone number is used by unusually large number of persons opening accounts.
- d. The unusual use of, or other suspicious activity related to, a Covered Account, such as:
 - i. With a new Covered Account, the member/consumer fails to make the first payment or makes an initial payment but no subsequent payments.
 - ii. A member/consumer with a Covered Account notifies the Cooperative that he or she is not receiving paper account statements.
 - iii. The Cooperative is notified of unauthorized services in connection with a member/consumer's Covered Account.
 - iv. A Covered Account is used in a manner that is inconsistent with established patterns of activity on the account (e.g. non typical activity in bill payment).
 - v. A Covered Account that has been inactive for a reasonably lengthy period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).
 - vi. Repeated returned mail even though the member/consumer with a Covered Account continues to receive electric service.

- e. Notice from member/consumers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with Covered Accounts held by the Cooperative.

B. DUTIES TO DETECT, PREVENT AND MITIGATE

1. General

- a. All employees that have access to information in a Covered Account shall be trained to detect, and respond to, Red Flags.
- b. Means of identity verification shall include any one or more of the following:
 - i. Applicant's full name
 - ii. Mailing address;
 - iii. Street address;
 - iv. Phone number;
 - v. Government-issued Photo identification;
 - vi. Passwords (whether assigned by the Cooperative or user-defined)
 - vii. For an individual, date of birth;
 - viii. For a U.S. person, a taxpayer identification number;
 - ix. For a non-U.S. person, one or more of the following:
 - 1. Taxpayer identification number; passport number and country of issuance;
 - 2. Alien identification card number; or
 - 3. Number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

2. New Accounts

- a. When opening new Covered Accounts and performing other functions regarding Covered Accounts including but not limited to address and billing changes, the identity of the applicant or member/consumer shall be verified to the extent reasonable and practicable under the circumstances.
- b. The Cooperative should not open a new Covered Account if there is a fraud or active duty alert for the applicant or member/consumer unless the Cooperative gathers additional information sufficient to form a reasonable belief that the user knows the identity of the applicant or member/consumer making the request.

- c. If one or more Red Flags are detected during the application process for a Covered Account, while servicing a Covered Account, or otherwise, the staff member shall notify a supervisor or other management level staff of the detection.

3. Existing Accounts

- a. When servicing existing Covered Accounts, such as processing change of address requests, staff shall authenticate the identity of the member/consumer as well as verify the change of address or other information on the account.
- b. The Cooperative should not open a new Covered Account or make material changes to an existing Covered Account if there is a fraud or active duty alert for the applicant or member/consumer unless the Cooperative gathers additional information sufficient to form a reasonable belief that the user knows the identity of the applicant or member/consumer making the request.
- c. If one or more Red Flags are detected while servicing a Covered Account, or otherwise, the staff member shall notify their supervisor or other management level staff of the detection.
- d. The Cooperative will flag or mark Covered Accounts that are to be monitored so that any reviewer (*e.g.* Customer Service Representative, hereinafter “CSR”) servicing the account can be aware of the previous Red Flags or other concerns.

4. Supervisor Actions

- a. Employees who are notified of a Red Flag shall evaluate the degree of risk posed by the particular Red Flag(s).
- b. In determining an appropriate response, any aggravating factors, such as additional known Red Flags increasing the risk of identity theft should be considered.
- c. Appropriate responses to a Red Flag may include the following:
 - i. Monitoring the Covered Account for evidence of identity theft;
 - A. The Cooperative will mark accounts in such a manner so as to make it known to the CSR or other employee reviewing this account of any previous Red Flag concerns.
 - ii. Contacting the consumer/member;
 - iii. Changing any passwords, security codes, or other security devices that permit access to the Covered Account;
 - iv. Reopening the Covered Account with a new account number;
 - v. Not opening a new Covered Account;

- vi. Closing an existing Covered Account;
- vii. Not attempting to collect on a Covered Account or not referring a Covered Account to a debt collector;
- viii. Notifying law enforcement; or
- ix. Determining that no response is warranted under the particular circumstances.

5. Record Management

- a. The Cooperative shall maintain records of the information used to verify the applicant's identity, including name, address and other identifying information as applicable and used by the Cooperative to verify a person's identity.
- b. If a governmental agency provides the Cooperative with a list of known or suspected terrorists, the Cooperative shall consult such list to determine whether the applicant appears on such list.

C. SERVICE PROVIDERS

- 1. If the Cooperative engages a service provider to perform an activity in connection with one or more Covered Accounts, the Cooperative shall take steps to ensure that such activity is conducted according to reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft.
- 2. Where appropriate, the Cooperative shall require by contract that service providers have policies and procedures to detect relevant Red Flags that may arise during performance of the services, and to either report the occurrence of the Red Flags to the Cooperative or to take appropriate steps to prevent or mitigate identity theft.

D. CONSUMER REPORTS

- 1. Use of Consumer Reports. Consumer Reports shall be used only in connection with the extension of credit, the extension of or provision of services to a member/consumer, to review an account to determine if the member/consumer meets the terms of the account and for such other legitimate cooperative purposes as may be approved by cooperative senior management.
- 2. Notice of Adverse Actions. If the Cooperative takes an adverse action based on a Consumer Report, then the Corporation shall provide written notice either via U.S. Mail or electronic notice (*e.g.* email) to the applicant, which shall include notice of the adverse action; the name, address and toll-free telephone number of the CRA that provided such

report; a statement that the CRA did not make the decision to take adverse action and is unable to provide the member/consumer with specific reasons why the action was taken; and notice of the member/consumer's right to obtain a free copy of such report from the CRA within 60 days and to dispute the accuracy or completeness of such report, as required by applicable federal Consumer Credit Protection laws (15 U.S.C.A. §§ 1681m and 1681j).

3. Notice of Address Discrepancy

- a. If the Cooperative receives a notice of address discrepancy from a CRA, the Cooperative must reasonably confirm the identity and address of the applicant.
- b. The employee receiving the notice of address discrepancy shall report the notice to a supervisor or other management level staff.
- c. Employees who are notified of the notice of address discrepancy shall take reasonable steps to verify the identity of the applicant by verifying the information provided by the CRA with the member/consumer or comparing other information maintained by the co-op about the member/consumer (*e.g.*, change of address notification, account records, service application, etc.).
- d. If the Cooperative obtains adequate confirmation to form a reasonable belief that the applicant is the same person listed in the notice of address discrepancy (Consumer Report), then the Cooperative shall document how it resolved the address discrepancy and may proceed to open the account or to take the requested action.
- e. If the Cooperative is unable to form such a reasonable belief regarding the identity of the applicant, then the Cooperative shall respond appropriately under the circumstances, such as not opening an account for the applicant, closing an existing account, or taking other actions as determined appropriate based on the circumstances.

E. FURNISHING INFORMATION

1. When furnishing information to a CRA, the Cooperative shall: report accurate information; correct and update incomplete or inaccurate information; report accounts closed voluntarily by the member/consumer; and report delinquent accounts that have been placed for collection, charged to profit or loss or subject to a similar action.
2. The Cooperative shall not furnish information to a CRA if the furnisher has reasonable cause to believe such information is inaccurate.

F. UPDATE AND COMPLIANCE REPORTS

1. The Identity Theft Prevention Program and the defined Red Flags should be reviewed and updated periodically based upon the following:
 - a. Experiences of the Cooperative with identity theft;
 - b. Changes in methods of identity theft;
 - c. Changes in methods to detect, prevent, and mitigate identity theft;
 - d. Changes in the types of accounts that the Cooperative offers or maintains; and
 - e. Changes in the Cooperative's business arrangements which would impact the Identity Theft Prevention Program, such as service provider arrangements.
2. Staff responsible for implementation of the Identity Theft Prevention Program shall provide compliance reports at least annually to the President and COO regarding the Cooperative's compliance with applicable law.
3. The President and COO shall review the compliance reports and take appropriate action, if required.
4. Compliance reports should address material matters related to the Identity Theft Prevention Program and evaluate issues such as:
 - a. The effectiveness of the Cooperative's policies and procedures;
 - b. Service provider arrangements;
 - c. Significant incidents involving identity theft and management's response; and
 - d. Recommendations for material changes to the Identity Theft Prevention Program.

G. SOCIAL SECURITY NUMBERS

1. The Cooperative shall not require member/consumers to transmit a Social Security Number via the Internet unless the transmission is secure or encrypted.
2. The Cooperative shall not require member/consumers to use a Social Security Number to access its website unless coupled with a Personal Identification Number or other method of identification.
3. The Cooperative may require a Social Security Number to establish or terminate an account, to contract for services, or to confirm the accuracy of a Social Security Number on file.
4. The Cooperative may use Social Security Numbers for internal administrative or verification purposes.

III. RESPONSIBILITY

- A. The President and COO shall be responsible for implementation, administration and review of the Identity Theft Prevention Program.
- B. The President and COO may suggest changes to the Identity Theft Prevention Program and guidelines, as necessary to address changing identity theft risks, for the Board's review and consideration.
- C. The President and COO may assign the specific responsibility of implementation to members of the staff of the Cooperative.
- D. The Manager of Administrative Services shall oversee applicable service provider arrangements and staff training as necessary to facilitate effective implementation and oversight of service providers.

ADOPTED: October 28, 2008, EFFECTIVE: November 1, 2008

Yeas 9 Nays 0 Abstains 0

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 105

SUBJECT: TRUCK EQUIPMENT & LABOR CHARGES

I. OBJECTIVE: To establish guidelines for use of certain Cooperative equipment and services.

II. POLICY:

A. The Cooperative, under certain conditions, and from time to time, will make available some of the Cooperative equipment (such as trucks, trenchers, trailers, line fault locators and other related equipment) to members, organizations, villages, cities and municipalities, providing this service cannot be obtained from any other source and if and when such service does not interfere with any scheduled work or create a hardship to either the Cooperative or to any of the Cooperative membership.

B. When equipment such as digger-derrick trucks, bucket trucks and trenchers are to be used, such equipment is to be operated by Cooperative Personnel Only. If the requested work to be done requires more than one Cooperative employee, then two employees will be assigned to operate such equipment. Charges will be made for (1) all the time employee or employees needed to start and complete the job, as per pay schedule in effect at the time; (2) on the use of any and all Cooperative-owned equipment and/or vehicles used at the job site, at the prevailing rate in the local area; and (3) on all materials taken out of inventory and used on the job, at the prevailing rate.

C. Equipment other than that mentioned above (such as line fault locators, hydraulic tools, hand- operated diggers, etc.) shall be loaned out only when the Operating Superintendent or Management have agreed to such a request and feel reasonably sure the equipment will not be damaged. Members or others requesting, and receiving permission, to use such tools and/or small equipment shall be held responsible for any damage done or for loss of part or all of such equipment. Person(s) borrowing such equipment shall be required to sign a loan-out form and, if not returned in five (5) days, will be billed for the original and/or depreciated cost of such equipment. If damaged, he shall be billed for the full amount, after all repairs to such equipment are made.

D. Cooperative employees shall be subject to the same rules and regulations detailed in Section C of this Policy, as is the member and/or nonmember.

E. As an exemption to this Policy, the Board of Trustees, the President and/or the Operating Superintendent of the Cooperative have the authority to provide services to charitable organizations at no charge.

DATE ADOPTED: 2/16/88 DATE AMENDED: 12/20/88 DATE AMENDED: 3/28/00

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.

EQUIPMENT LOAN-OUT AGREEMENT

QTY.	DESC. OF ITEM	DATE LOANED OUT (By whom)	DATE RETURNED (By Whom)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

I request the use of the above listed Clinton County Electric Cooperative, Inc. equipment. I have inspected the item(s) and acknowledge they are free from any defects and are in working condition. I agree to return the items within five (5) days from receipt in the same workable condition or will pay for all repairs or replacement. I further agree to pay \$5.00 per day for each day I retain the item(s) after the return date and I agree to indemnify and hold the Cooperative harmless for any and all injuries or damages resulting from the use of this property.

(Name)

(Address & City)

(Phone)

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 106

SUBJECT: USED POLE RELEASE

I. OBJECTIVE: To establish guidelines governing the ownership of and responsibility of used electrical poles.

II. POLICY:

- A. It is to be specifically established that there is no charge for the used pole(s). A handling fee will be charged for each used pole obtained from the Cooperative.**
- B. The Board of Trustees establishes and maintains the following guidelines regarding the receipt of and acceptance of Cooperative used electrical poles:**
 - 1. The attached "release" form is to be given to any and all persons requesting used electrical poles from the Cooperative and is to be signed and dated by (1) the party wanting the used pole(s) and (2) a Cooperative representative.**
 - 2. This "release" form, in essence, states:**
 - a. The number of used poles desired;**
 - b. The handling fee for said used poles;**
 - 3. This "release" form also excuses the Cooperative from any harm and/or liability from any cause arising out of the use of these poles subsequent to their removal from Cooperative premises.**
 - 4. The "release" form also advises that the poles are given on an "as is" basis, without any warranties of merchantability or fitness for any general use.**
- C. The attached "release" form is made a part of this Policy and is to be executed at all used pole transactions until further action by the Board of Trustees.**

DATE ADOPTED: 5/17/88

DATE AMENDED: 11/23/04 (Release Form) Yeas 9 Nays 0 Abstains 0

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS 62230
(618) 526-7282

R E L E A S E

I hereby acknowledge receipt of and accept full ownership of _____ used electrical poles from CLINTON COUNTY ELECTRIC COOPERATIVE, INC. upon the following terms and conditions:

(1) The used poles delivered hereunder consist of the following number and size:

(2) The handling fee for said poles is \$ _____ in hand paid, receipt of which is hereby acknowledged by the Cooperative.

(3) All poles obtained hereunder are "as is," without any warranties of merchantability or fitness for any general or particular uses or purposes. I assume responsibility, at my expense, to have these poles inspected by an independent expert engaged in such testing to determine the suitability or fitness of the poles for any desired use.

(4) I acknowledge that the Cooperative has advised me that the poles have been treated with preservatives and other chemicals that are subject to control by the EPA, and I have been advised that these poles may contain chemicals and materials that are potentially hazardous to me and any other person or thing coming in contact with these poles. I assume responsibility, at my expense, to have these poles tested to determine the existence of any such hazardous chemicals or materials. I acknowledge that the Cooperative has provided me with a copy of the EPA approved Consumer Information Sheet relating to creosote and pentachlorophenol attached as Exhibit I to this release. I further acknowledge that I have read and understand the information set forth in Exhibit I. I further acknowledge that there may be statutes or regulations governing disposal of these poles, and I acknowledge it is my responsibility to check with the proper authorities regarding proper disposal.

(5) I specifically agree to hold the Cooperative harmless from any and all liability from any cause whatsoever arising out of the use of these poles subsequent to the removal thereof from the Cooperative premises, and agree to indemnify the Cooperative from any liability in any way arising from and after their removal from the Cooperative's premises. I further agree, that in the event any legal action is brought against the Cooperative arising out of the use of these pole(s) by me, any subsequent owner, or any person, claiming damages by virtue of or in any manner arising out of the use of the pole(s), or damages there from that I agree to hold the Cooperative harmless from any and all costs, charges, expenses, attorney's fees and judgments which may be imposed upon or incurred by the Cooperative in any manner arising out of such claim or such litigation.

DATED: _____
Signature

ACKNOWLEDGED:

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.

BY: _____ (Cooperative Representative)

Reference to Policy No. 106 in Cooperative Policy Manual

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 107

SUBJECT: PUBLIC NOTICE OF RULES

I. POLICY:

A. The Cooperative shall post in two (2) public and conspicuous places in each of its offices where it transacts business with the public a notice not less than seven (7) inches by ten (10) inches in size, printed in black on a white background, substantially in the form hereto attached. The rules and regulations of Clinton County Electric Cooperative, Inc. prescribing procedures governing the eligibility for service, deposits, payment practices and discontinuance of service are on file in this office and open to public inspection. Any employee will direct you to the place where you may inspect a copy of the rules and will direct you to personnel assigned the duty of providing information about the rules. Copies of the rules and regulations may also be reviewed and/or obtained at the office of the Cooperative.

Date Adopted: 7/25/00

Yeas 9 ; Nays 0 ; Abstains 0 ;

ADDENDUM TO POLICY NO. 107

PUBLIC NOTICE

THE COOPERATIVE HAS POLICIES PERTAINING TO: ELIGIBILITY FOR SERVICE; ELECTRIC SERVICE DEPOSITS; REFUNDS OF DEPOSITS; INTEREST ON DEPOSITS; PAST DUE BILLS & LATE PAYMENT CHARGES; DEFERRED PAYMENT AGREEMENT; BUDGET PAYMENT PLAN; CHECKS, INSUFFICIENT FUNDS, STOPPED PAYMENT, ACCOUNT CLOSED AND/OR NO CHECKING ACCOUNT; DISCONTINUANCE OF SERVICE; TERMINATION OF ELECTRIC DURING COLD WEATHER; CONTINUANCE OF RESIDENTIAL SERVICE WHEN PERMANENT RESIDENT IS SERIOUSLY ILL; TRIP CHARGES & OTHER RECONNECTION EXPENSES; DISCONNECTION OF MASTER-METERED APARTMENT BUILDINGS; DISPUTE PROCEDURES; AND PUBLIC NOTICE OF RULES; AS WELL AS OTHER POLICIES GOVERNING OTHER COOPERATIVE MATTERS, IN ADDITION TO RULES AND REGULATIONS PRESCRIBING PROCEDURES GOVERNING THESE POLICIES, ARE ON FILE IN THIS OFFICE AND ALL ARE OPEN TO PUBLIC INSPECTION.

ANY EMPLOYEE WILL DIRECT YOU TO THE PLACE WHERE YOU MAY INSPECT A COPY OF THE RULES, REGULATIONS AND/OR POLICIES AND WILL DIRECT YOU TO PERSONNEL ASSIGNED THE DUTY OF PROVIDING INFORMATION ABOUT SUCH RULES. COPIES OF THE RULES, REGULATIONS AND/OR POLICIES MAY ALSO BE REVIEWED AND/OR OBTAINED AT THE OFFICE OF THE COOPERATIVE.

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS

MEMBERS: POLICY NO. 108

SUBJECT: TRIP CHARGES AND OTHER RE-CONNECTION EXPENSES

I. POLICY:

A. When it becomes necessary for a Cooperative employee to make a visit to a member/consumer for the purpose of collecting a past-due bill, to disconnect electric service because a bill(s) was not paid when due, to disconnect/reconnect for failure to provide Cooperative requested information, to re-connect electric service after a past-due account was paid or to read a meter because of an obstruction which may include but are not limited to:

- a. Enclosing the installation in any building addition, room, garage, enclosed porch, etc.
- b. Erecting any kind of structure in such a manner that will close off access to the installation.
- c. Growing shrubs bushes, trees, or other plants that restrict access to the installation.
- d. Changing the property conditions with ditches, fences, or other such barriers that will not allow reasonable access to the installation.

for which the Cooperative has requested in writing to be corrected, the member/consumer shall be billed:

1. \$35.00 for each trip made during regular working hours, Monday through Friday (excluding holidays) for purposes other than reconnection;
2. \$65.00 for each trip made during regular working hours, Monday through Friday (excluding holidays) for reconnection purposes;
3. \$100.00 for each trip made after regular work hours (including holidays).

B. Only when the member/consumer agrees to pay all of the applicable above charges in full will electric service be restored.

DATE ADOPTED:	7/25/00	Yeas 9, Nays 0, Abstains 0
DATE AMENDED:	1/28/03	Yeas 9, Nays 0, Abstains 0
DATE AMENDED:	9/28/04	Yeas 8, Nays 0, Abstains 0
DATE AMENDED:	10/25/05	Yeas 9, Nays 0, Abstains 0
DATE AMENDED:	11/23/09	Yeas 9, Nays 0, Abstains 0

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 109

SUBJECT: DISCONTINUANCE OF SERVICE; TERMINATION OF ELECTRIC SERVICE DURING COLD WEATHER; CONTINUANCE OF RESIDENTIAL SERVICE WHEN PERMANENT RESIDENT IS SERIOUSLY ILL; & DISCONNECTION OF MASTER-METERED APARTMENT BUILDINGS

I. OBJECTIVE: To establish procedures and guidelines by which the electric service may be discontinued by the electric cooperative.

II. DISCONTINUANCE OF SERVICE

A. The Cooperative reserves the right to discontinue service with proper written notice (See Cooperative Delinquent Notice) if the residential consumer fails to:

- 1. Make a deposit or increase a deposit pursuant to the Cooperative's deposit Policy; or**
- 2. Pay any past due bill owed to the Cooperative for the same class of service at the same or another address (Past Due payments are deemed paid only when received at/by the Cooperative); or**
- 3. Make payments within the terms of the Cooperative's Deferred Payment Agreement (Policy #112); or**
- 4. Provide Cooperative personnel with access to the meter after receiving estimated bills for three monthly billing periods and the Cooperative thereafter makes a written request for access, but only after the Cooperative has mailed, by certified mail, return receipt requested, or delivered by other means a written notice of discontinuance substantially in the form hereto attached; and/or**
- 5. Provide access of Cooperative personnel to the meter, meter loop, main circuit breaker, or cooperative equipment by:
 - a. Enclosing the installation in any building addition, room, garage, enclosed porch, etc.**
 - b. Erecting any kind of structure in such a manner that will close off access to the installation.**
 - c. Growing shrubs bushes, trees, or other plants that restrict access to the installation.**
 - d. Changing the property conditions with ditches, fences, or other such barriers that will not allow reasonable access to the installation.****
- 6. Comply with a ruling of the Board of Trustees; and/or**
- 7. Comply with Articles of Incorporation, Bylaws, or rules and regulations or Policies of the Cooperative; and/or**
- 8. For alleged meter tampering or theft of electric service.**

B. Any notice required to be delivered or mailed to a residential consumer prior to discontinuance of service shall be delivered or mailed, separately from any bill.

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 109 CONT.

- C. Discontinuance of service shall not be less than five (5) days after mailing of notice or by personal call.**
- D. In addition, a copy of said notice shall be mailed to a third party designated by the residential consumer, should the residential consumer make a written request to the Cooperative for such third party notice.**
- E. Such notice shall remain effective for a period of twenty (20) days.**
- F. Such notice to discontinue service shall remain effective for two (2) consecutive 20-day periods provided:**
- 1. A call is made at the residential consumer's premises; or**
 - 2. The residential consumer is contacted by telephone.**
 - 3. In the event that service is not discontinued within these two (2) consecutive 20-day periods, the Cooperative shall not discontinue service until at least five days after delivery of a new notice of intent to discontinue service.**
- G. The Cooperative shall attempt to advise the residential consumer that service is to be discontinued at the time of disconnection.**
- H. If the Cooperative is unable to disconnect service during a call at the residential consumer's premises, the Cooperative shall leave a notice at such premises that:**
- 1. An attempt was made to discontinue service; and**
 - 2. Such service is still subject to disconnection.**
- I. The Cooperative shall not discontinue service at the meter after one and one-half (1 ½) hours prior to the linemen's scheduled quitting time, unless the Cooperative is prepared to reconnect the same day at the standard reconnection charge, if any.**
- J. The Cooperative shall not discontinue service on a holiday or weekend day, unless it is prepared to reconnect on that holiday or weekend day.**
- K. Electric service shall not be discontinued and shall be restored if discontinued, where a present residential consumer who is indebted to the Cooperative enters into a Deferred Payment Agreement pursuant to the Cooperative's Deferred Payment Policy #112 and complies with the terms thereof.**

III. TERMINATION OF ELECTRIC SERVICE DURING COLD WEATHER

- A. Electric service to a residential consumer, including tenants of apartment buildings, for non-payment of bills will not be terminated:**
- 1. On any day when the forecast covering the Cooperative's service area in which the residence is located includes a forecast that the temperature will be 30 degrees Fahrenheit or below during the following 24 hours; or**

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 109 CONT.

2. On any day preceding a holiday or a weekend when such a forecast indicates that the temperature will be 30 degrees Fahrenheit or below during the holiday or weekend.
3. The Cooperative will provide member/consumer with the past due account all the necessary required notices before a disconnect is made.

IV. CONTINUANCE OF RESIDENTIAL SERVICE WHEN PERMANENT RESIDENT SERIOUSLY ILL (SEE ADDENDUM)

A. Notwithstanding provisions of other Policies relating to termination of electric service by the Cooperative, electric service will not be discontinued to residential consumers for up to sixty (60) days when discontinuance of service will aggravate an existing serious illness of any person who is a permanent resident of the premises where service is rendered if the consumer complies with the following requirements regarding such illness:

1. The illness must be certified to the Cooperative by a registered physician or local Board of Health. The certification shall be in writing and include the following:
 - a. The name of the ill person;
 - b. A statement that the ill person is a resident of the premises in question;
 - c. The name, business address and telephone number of the certifying party;
 - d. The nature of the illness and the period of time during which termination will aggravate the illness.
2. If written certification is forwarded to the Cooperative within five (5) days, initial certification by the certifying party may be by telephone.
3. Initial certification will prevent discontinuance of service for thirty (30) days.
4. Certification may be renewed by the residential consumer for an additional thirty (30) days by providing a second certificate to the Cooperative.
5. Failure to renew the certificate will entitle the Cooperative to initiate discontinuance procedures.
6. The residential consumer for whom electric service is not discontinued under provisions of this Policy must:
 - a. Enter into an agreement for the retirement of the unpaid balance of the account within the first thirty (30) days; and
 - b. Keep the current account paid during the period that the unpaid balance is to be retired.

B. The notice of discontinuance of electric service sent to residential consumers shall include (1)member name and address; (2)account number; (3)unpaid balance; (4)date of notice; (5)disconnect date; (6)possible fees and other possible charges, etc.; (7)Cooperative name, address, phone no. and normal office hours.

C. In the event electric service is terminated within five (5) days prior to certification of illness by, or for, a qualifying resident, electric service shall be restored

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 109 CONT.

to that residence if a proper certification is thereafter made in accordance with the foregoing provisions. All fees and charges will still apply.

D. Nothing in this Policy or these rules shall be construed to prevent discontinuance of electric service for reasons of safety, health, or cooperation with civil authorities.

V. DISCONNECTION OF MASTER-METERED APARTMENT BUILDING

A. Whenever, pursuant to any agreement, either written or verbal, a lessor, landlord, or his agent is required to pay for any electrical service, and the lessor, landlord, or his agent does not pay for such service, the lessee or tenant, or lessees or tenants in the event more than one lessee or tenant is served by a common system of electrical service which goes through a common meter in a single building, may pay for such service if the non-payment jeopardizes the continuation of the service to the lessees or tenants, as the case may be, pursuant to Public Act 80-1453 (Ill. Rev. Stat., Ch. 80, Pars. 62-66).

B. The Cooperative shall not terminate service for such nonpayment until it mails, delivers, or posts a notice, as specified to all lessees or tenants of buildings with three or more residential apartments.

C. Upon receipt of such payment of the past due cost of such electrical service owed by the lessor and upon receipt of a security deposit, if such a deposit is requested by the Cooperative in accordance with its rules and regulations, the provider of such service shall immediately restore service to such lessee or lessors.

D. Any sums the lessee or lessees, as the case may be, pays for electrical service that the lessor or his agent was required to pay may be deducted from the rent due on lease agreement, and total rent is diminished by the amount the lessee or lessees, as the case may be, has paid for the continuation of the electrical service.

E. Upon receiving notice of electric service termination, any lessees or tenants may petition the Circuit Court, or any Court having jurisdiction, for appointment of a receiver of rents due for use and occupancy of the building.

F. No one building may be the subject of more than four (4) such petitions in any consecutive 12-month period.

G. The petition shall be served upon the lessor or landlord at his or her last known address and upon the Cooperative that has rendered notice of termination of electric service.

H. Upon a finding that termination of electric service to the lessees or tenants is imminent or has occurred as a result of an amount due and owing by the lessor or landlord to the Cooperative, the Court shall appoint a receiver.

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 109 CONT.

I. The function of the receiver shall be to collect rents due from the lessees or tenants for use and occupancy of the building, to remit to the Cooperative such portion of the funds as are necessary for payment of the arrears which were the subject of the petition as well as for payment of current utility bills incurred during the term of the receivership, including any security deposit requested by the Cooperative in accordance with its rules and regulations, and to remit the remainder as the Court shall direct.

J. Within ten (10) days of the appointment of the receiver, such receiver shall make a determination as to whether or not the rents due for the use and occupancy of the building can reasonably be expected to be sufficient to retire the arrears within twelve (12) months from the day on which the receiver was appointed and to pay current bills and to pay any security deposit which may be requested by the Cooperative.

K. Upon a determination by the receiver that the rents due for the use and occupancy of the building cannot reasonably be expected to be sufficient to retire the arrears within twelve (12) months from the day on which the receiver was appointed and to pay current bills and to pay any security deposit which may be requested by the Cooperative, such receivership shall be terminated unless the receiver also finds that the Cooperative has been dilatory in collection from the lessor or landlord.

L. In the event that a petition for receivership is filed after electric service has been terminated, service shall be restored as soon as the Cooperative receives notice that a receiver has been appointed.

M. The receiver shall make all reasonable efforts to provide the Cooperative access to the building at all times.

N. Any receivership established pursuant to this Policy shall be terminated by the Court upon its finding that the arrears which was the subject of the petition has been satisfied or upon its finding that the income from the building has become insufficient to pay current electric bills and retire the arrears as ordered by the Court and shows no reasonable likelihood of becoming sufficient.

0. The Cooperative shall notify all lessees or tenants of buildings with three or more residential apartments of the proposed termination of electric service. This notice shall contain the following information:

- 1. The specific date, no sooner than five (5) days after the notice is rendered, that electric service is subject to termination;**
- 2. A statement of the lessees' or tenants' statutory rights either:
 - a. To pay the Cooperative the amount due and owing by the lessor or landlord and to deduct the amount paid to the Cooperative from the rent due on the rental agreement; or**
 - b. To petition the Court for appointment of a receiver to collect the rents due for use and occupancy of the building and remit a portion to the Cooperative for payment of electric bills;****
- 3. The dollar amount of the electric bills due and owing on the date such notice is given and the average monthly electric bill; and**

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 109 CONT.

- 4. The name and telephone number of any legal services agency within the service area of the Cooperative where the lessees or tenants may obtain free legal assistance.**

- P. Any notice provided to lessees or tenants of a building under this Act shall be of a conspicuous size, on colored paper, and in at least 14-point boldface type, except that the words "notice of electric service termination" shall be in 36 point boldface type if the notice is posted.**

- Q. The lessor, landlord or his agent shall not increase rent paid by the lessees or tenants of the building in order to collect all or part of the amount lawfully deducted for utility service pursuant to Public Act 80-1453.**

- R. Nothing in these rules shall be construed to prevent the Cooperative from pursuing any other action or remedy that it may have against the lessor, landlord, or his agent for any amounts due and owing to the Cooperative and nothing in this Act shall be construed to prevent the Cooperative from acting in the interest of public safety.**

- S. Nothing in this Policy shall be construed to prevent the discontinuance of service for reasons of safety, health or cooperation with civil authorities.**

DATE ADOPTED: 7/25/00 Yeas 9; Nays 0; Abstains 0;
DATE AMENDED: 5/23/06 Yeas 9; Nays 0; Abstains 0;
DATE AMENDED: 11/23/09 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

ADDENDUM TO POLICY NO. 109

NAME _____ DATE _____

ADDRESS _____ ACCT. NO. _____

CITY/STATE/ZIP _____

IMPORTANT – READ THIS IMMEDIATELY!!

YOUR ACCOUNT FOR ELECTRIC SERVICE IS PAST DUE. OUR RECORDS SHOW YOUR ACCOUNT IS PAID TO _____, 20 _____ (DATE).

**YOUR ELECTRIC SERVICE WILL BE SHUT OFF ON OR AFTER _____ (dates)
IF PAYMENT HAS NOT BEEN RECEIVED BY THIS OFFICE.**

IF YOU DO NOT WANT YOUR ELECTRIC SERVICE SHUT OFF, YOU MUST PAY YOUR BILL OR CONTACT THIS OFFICE ABOUT BRING YOUR ACCOUNT UP TO DATE.

- **IF YOU CANNOT PAY THE WHOLE AMOUNT NOW, YOU MAY BE ABLE TO GET A PAYMENT PLAN WITH THE COOPERATIVE. CALL US AT (618)526-7282 BETWEEN 8 AM AND 5 PM WEEKDAYS FOR MORE INFORMATION.**

- **CLINTON COUNTY ELECTRIC COOPERATIVE HAS EMPLOYEES ON DUTY FROM 8 AM TO 5 PM WEEKDAYS TO ANSWER YOUR QUESTIONS OR EXPLAIN YOUR BILLING. IF YOU DO NOT UNDERSTAND WHY YOU OWE THIS MONEY OR IF YOU THINK THERE HAS BEEN A MISTAKE, CALL CLINTON COUNTY ELECTRIC COOPERATIVE AT 618-526-7282 AS SOON AS POSSIBLE. IF THE PERSON YOU TALK TO CANNOT HELP YOU, ASK TO TALK TO A SUPERVISOR. CALL OR COME IN BEFORE YOU ARE SHUT OFF.**

IMPORTANT – IF YOUR SERVICE IS SHUT OFF, YOU WILL HAVE TO PAY YOUR BILL PLUS TRIP CHARGES OF AS FOLLOWS:

1. **\$35.00 FOR EACH TRIP MADE DURING REGULAR WORKING HOURS, MONDAY THROUGH FRIDAY (EXCLUDING HOLIDAYS);**
2. **\$100.00 FOR EACH TRIP MADE AFTER REGULAR WORKING HOURS (INCLUDING HOLIDAYS)**

THIS NOTICE PREPARED ON _____, 20 _____ (DATE)

PAYMENT ON OR AFTER THE ABOVE DATE MAY NOT BE REFLECTED.

IF SOMEONE AT YOUR HOME IS VERY SICK....

If anyone now living in your home is very sick, we will not shut off your electric service.

WHAT YOU MUST DO...

YOU MUST CONTACT YOUR DOCTOR OR LOCAL BOARD OF HEALTH. THEY, IN TURN, WILL CALL CLINTON COUNTY ELECTRIC COOPERATIVE INC. AT (618)526-7282 DURING NORMAL BUSINESS HOURS. THEY ALSO MUST SEND A WRITTEN CERTIFICATION, WHICH MUST BE RECEIVED BY THE COOPERATIVE WITHIN FIVE (5) DAYS WHICH CONTAINS THE FOLLOWING INFORMATION:

- 1. Name of the sick person.**
- 2. A statement that the sick person is a resident of the premises in question.**
- 3. The name, business address and telephone number of the certifying party.**
- 4. The nature of the illness.**
- 5. The period of time during which termination of electric service will aggravate the illness.**

HOW LONG THE CERTIFICATION IS GOOD:

THE CERTIFICATION IS GOOD FOR ONE (1) MONTH. IT MAY ALSO BE RENEWED FOR ONE (1) MONTH IF THE DOCTOR OR BOARD OF HEALTH WRITES TO THE COOPERATIVE AGAIN. IF THE CERTIFICATION IS NOT RENEWED, YOUR ELECTRIC SERVICE MAY BE SHUT OFF AFTER THE FIRST MONTH.

FOR MORE INFORMATION CALL CLINTON COUNTY ELECTRIC COOPERATIVE INC. @ 618-526-7282 DURING NORMAL BUSINESS HOURS.

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 110

SUBJECT: DIRECT DEBITS; CHECKS; INSUFFICIENT FUNDS, STOPPED PAYMENT, ACCOUNT CLOSED AND/OR NO CHECKING ACCOUNT, & OTHER INSUFFICIENT FORMS OF PAYMENT

I. POLICY:

A. Direct Debits & checks & other insufficient forms of payment returned to the Cooperative by banks or other such institutions, that were received from a member/consumer of the Cooperative for payment of energy statements, meter deposits, materials, etc. and identified by the institution as insufficient funds, account closed, no checking account or payment stopped, or other reasons, creates a hardship on the Cooperative and will be dealt with in the following manner:

- 1. The member will be notified immediately of such deficiency. If told to deposit a check for the second time by the member/consumer involved, the Cooperative will follow such advice. If the same check is returned again, no other attempt will be made to cash the check. In this case, the member shall be notified once again to come into the office and pay cash in the amount of the check or other deficiency plus a \$10.00 charge and bank charges will be added to the account already owed for the inconvenience imposed upon the Cooperative. If the member/consumer does not make the required payment due by the date given, service will be disconnected immediately.**
- 2. If the Cooperative experiences the same problem for two months in a 12-month period, the fee, identified as stated above, shall be increased to \$15.00, plus bank charges, and in the case of Direct Debit accounts the member will forfeit the right to participate in that program.**
- 3. If member/consumer refuses to pay the fees charged, electric service will be disconnected and Trip and other Charge(s), will then also apply.**

DATE ADOPTED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

DATE AMENDED: 5/23/06 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY N0. 111

SUBJECT: BUDGET PAYMENT PLAN

I. POLICY:

A. When the consumption level of the member is subject to substantial fluctuation over an annual period, the Cooperative may offer a Budget Payment Plan, which equalizes the payments into equal monthly installments.

B. A member must make application to receive service under the Budget Payment Plan. (See Addendum.)

C. An applicant's Budget Payment Plan may be terminated by the Cooperative if the applicant fails to meet the payment requirements under the plan.

D. Final determination for eligibility will be determined by the Board of Trustees and/or management.

DATE ADOPTED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

BUDGET PAYMENT PLAN

**APPLICATION & AGREEMENT
(Authorized by Co-op Policy No. 111)**

I/WE, _____, A MEMBER(S) OF CLINTON COUNTY ELECTRIC COOPERATIVE, INC. (CO-OP) DO HEREBY REQUEST TO BEGIN PARTICIPATION IN THE CO-OP'S BUDGET PAYMENT PLAN, COMMENCING WITH THE BILL RECEIVED IN AUGUST (JULY USAGE) AFTER ACCEPTANCE OF THIS APPLICATION AND AGREEMENT:

I/WE ALSO AGREE TO THE FOLLOWING TERMS AND CONDITIONS AS A CO-OP MEMBER FOR PARTICIPATION IN THE BUDGET PAYMENT PLAN.

- 1.) To make all payments in full prior to the bill's due date each month;**
- 2.) To make the "CATCH UP MONTH" each July bill, payment in full prior to the bill due date;**
- 3.) The Co-op has full authority to determine what the monthly budget payment will be from year to year;**
- 4.) If, in any month, the member(s) does not make all payments in full by the bill due date or if it is the member's request to be removed from the Budget Payment Plan, the next bill will become the "CATCH UP MONTH" and the member(s) will not be eligible to participate in the Budget Payment Plan for a minimum of one (1) Budget Payment Plan cycle (July through June of the following year's usage);**
- 5. All penalties, charges or conditions per Co-op rate schedules, Bylaws, Policies and agreements, as they exist or may be amended or changed, are applicable to the Budget Payment Plan participant(s).**
- 6. Member's account must have a zero balance to begin the Budget Payment Plan;**

WE HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS OF PARTICIPATION IN THE COOPERATIVE BUDGET PAYMENT PLAN AND AGREE TO ABIDE BY THE SAME, AND REQUEST TO PARTICIPATE IN THE BUDGET PAYMENT PLAN.

ALSO, I/WE UNDERSTAND OUR INITIAL MONTHLY BUDGET PAYMENT PLAN AMOUNT WILL BE \$ _____ PER MONTH, COMMENCING WITH THE BILL RECEIVED IN AUGUST, 20____, AND THAT THIS AMOUNT MAY BE ADJUSTED BY THE CO-OP AS PER THE TERMS AND CONDITIONS LISTED ABOVE.

SIGNED: _____ (PRINTED NAMES:) _____

(ALL PERSONS MUST SIGN IF JOINT MEMBERSHIP)

DATED THIS _____ DAY OF _____, 20_____.

THIS AGREEMENT HAS BEEN ACCEPTED THIS _____ DAY OF _____, 20_____.

SIGNED:

COOPERATIVE AUTHORIZED REPRESENTATIVE

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 112

SUBJECT: DEFERRED PAYMENT AGREEMENT

I. OBJECTIVE: To establish fair and equitable procedures governing payment of past due bills under a Deferred Payment Plan.

II. POLICY:

A. Residential consumers who are indebted to the Cooperative may be given the opportunity to make arrangements with the Cooperative to retire the debt by payments, referred to hereafter as a Deferred Payment Agreement, unless the residential consumer has failed to make payment under such a plan during the past twelve (12) months. At the discretion of the Cooperative, all applicants for service who are indebted to the Cooperative for past due electric service may have the opportunity to make arrangements with the Cooperative to retire the debt under provision of a Deferred Payment Agreement. (See Addendum.)

B. The terms and conditions of the Deferred Payment Agreement will be determined by the Cooperative after consideration of the following:

- 1. Size of past due account;**
- 2. The residential consumer's ability to pay;**
- 3. Residential consumer's payment history;**
- 4. Reasons for indebtedness; and**
- 5. Any other relevant factors relating to residential consumer's electric service.**

C. A residential consumer will be required to pay at least one-fourth (1/4) of the amount past due at the time of entering into a Deferred Payment Agreement. Non-residential members, or non-members, will be required to pay at least one-third (1/3) of the amount past due at the time of entering into a Deferred Payment Agreement.

D. The Cooperative will allow a minimum of two (2) months from the date of said agreement and a maximum of six (6) months to retire the indebtedness to the Cooperative with a minimum monthly amount of \$50.00.

E. A late payment charge will be assessed by the Cooperative against the amount owed which is subject to a Deferred Payment Agreement.

F. A Deferred Payment Agreement shall be in writing and will include the following provisions:

- 1. The applicant shall be required to pay all future bills for electric service by the due date; and**
- 2. The applicant shall retire the debt according to the terms of the deferred payment agreement.**

G. If a residential consumer defaults upon any payment due under the deferred payment agreement, the Cooperative shall have the right to discontinue service to the residential consumer.

DATE ADOPTED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

***ADDENDUM TO POLICY NO. 112**

DEFERRED PAYMENT AGREEMENT

I, _____, a member of the Clinton County Electric Cooperative, Inc. acknowledge that I am indebted to the Cooperative as of _____ (date) in the amount of \$ _____.

To retire said debt and to avoid termination of electric service, I agree to pay \$ _____ on this date, receipt of which is acknowledged by the Cooperative, said amount representing _____ of the total amount due with the balance to be paid in _____ equal installments due _____ (date) and the _____ of each month thereafter until debt is paid in full. I also agree to pay "late payment charge" on remaining amount due at the time of each deferred payment.

I further agree to pay all future bills for electric service by the due date and I shall retire this debt according to the terms of this "Deferred Payment Agreement." I understand, too, that if I fail to make any payments due under this agreement by the date(s) specified, then the Cooperative may, at its option, terminate my electric service immediately, without further notice.

DATED: _____

SIGNED: _____
Member's Name

Address

Phone Number

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 113

SUBJECT: PAST DUE BILLS AND LATE PAYMENT CHARGES

I. OBJECTIVE: To establish fair and equitable procedures governing past due bills and late payment charges.

II. POLICY:

A. A residential consumer's bill is not considered past due unless payment is received after the due date printed on the bill.

B. In the case where the payment is mailed, the net amount of the bill shall be accepted after the due date printed on the bill, if postmarked on or prior to the due date.

C. The due date printed on the bill for residential consumer service shall be:

- 1. At least ten (10) days after the postmark on the bills, if mailed; or**
- 2. The date of delivery if the bill is delivered by other means; or**
- 3. At least ten (10) days after the date the meter is to be read if self-billing is used.**

D. The Cooperative shall assess late payment charges (gross charges) pursuant to the rules, regulations and Policies of the Cooperative.

DATE ADOPTED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS
MEMBER POLICY**

SUBJECT: ELECTRIC SERVICE SECURITY DEPOSITS	POLICY NUMBER: 114
EFFECTIVE DATE: 02/16/1988	
REVISED DATE(S): 08/16/1988, 01/27/1994, 03/28/1996, 07/25/2000, 02/25/2003, 10/25/2005	

I. OBJECTIVE

To establish fair and equitable procedures governing eligibility for electric service, security deposits and payment to protect the membership from financial loss.

II. ELECTRIC SERVICE SECURITY DEPOSITS – APPLICANTS FOR SERVICE

- A. If, after reviewing its own past service records, the Cooperative finds that an electric service member/consumer, as an applicant for electric service, has failed to pay for past due service, does not own his/her/their own property, or does not provide the information requested, the Cooperative may refuse to provide service unless the applicant:
- a. Pays any past due bills; and
 - b. Pays a deposit in an amount that is two times the estimated highest monthly bill for the location applied for, and
 - c. Provides the information requested by the Cooperative.

III. ELECTRIC SERVICE SECURITY DEPOSITS – PRESENT MEMBER/CONSUMERS

- A. The Cooperative may request a deposit from present member/consumers:
- a. If the member/consumer, during any twelve (12) month period, pays late four times if billed monthly; or
 - b. If the member/consumer's wires, meters or other equipment of facilities have been tampered with to the member/consumer's benefit.
 - c. If the member/consumer fails to provide information requested by the Cooperative.
- B. A present member/consumer whose service is disconnected becomes an applicant for service subject to provisions of the Cooperative's application policy for purposed of reconnection of service.
- C. The date by which the entire deposit must be made must be plainly indicated on the deposit request.
- D. The amount of the deposit may be adjusted at the request of the Cooperative at any time when the character, or degree of use, of the service changes or when it is clearly

established that the character, or degree of use, of the service will change in the immediate future.

IV. REFUND OF DEPOSITS

- A. The deposit shall not be refunded until the member/consumer pays any past due bills for service and after twelve (12) consecutive months of service without paying after the due date, LESS a minimum deposit to be retained until final billing, of \$100.00. In this situation, the deposit to be refunded shall be applied to the member's electric account.
- B. Deposits received for information not provided will be returned, except as stipulated in Section IV, A, after the requested information is received by the Cooperative.
- C. Deposits shall be refunded upon discontinuance of service LESS the amount of any unpaid bill. When the deposit is applied to the liquidation of any unpaid bill(s), the member/consumer shall be provided with a statement showing the amount of deposit, the amount of the unpaid bill liquidated by the deposit and the balance then due either to the Cooperative or the member/consumer.
- D. Transfer of service from one premise to another within the Cooperative service area will not be treated as discontinuance of service if the character of such service does not change, but the deposit amount may be adjusted to reflect two times the estimated monthly bill for the new location.

V. INTEREST ON DEPOSITS

- A. There shall be no interest paid on deposit.

, President/COO	Date:
-----------------	-------

PROCEDURE FOR NOTICE ON BILLS; DELINQUENT/DISCONNECT NOTICE;
COLLECTION/DISCONNECT; AND RECONNECTION OF SERVICE.

- 1.) The due date printed on the bill for member/consumer service shall be at least ten (10) days after the postmark on the bills, if mailed, or the date of delivery if the bills are delivered by other means.
- 2.) A member/consumer's bill is NOT considered past due unless payment is received after the due date printed on the bill. In the case where the payment is mailed, the net amount of the bill shall be accepted after the due date printed on the bill if postmarked on or prior to the due date. The gross amount shall be due if payment is received after the due date printed on the bill and prior to discontinuance of service.
- 3.) If payment is not received on or after the due date printed on the bill, the Cooperative shall mail a delinquent/disconnect notice. Any notice required to be delivered or mailed to a member/consumer prior to discontinuance of service shall be delivered or mailed separately for the bill. Discontinuance of service shall not be less than five (5) days after mailing of the notice or by personal call; this is typically ten (10) days. The Cooperative shall attempt to advise the member/consumer that service is to be discontinued at the time of disconnection. If payment arrangements are made at this time, the gross amount of the bill plus applicable charges shall apply.
- 4.) If the member/consumer's service is disconnected for non-payment, the amount then due will be for all service billed at the time of disconnection PLUS applicable charges shall apply PLUS an electric security deposit of one (1) month, based on the highest amount within the last thirty-six (36) months, or estimated by the Cooperative if adequate history does not exist, shall apply. The Cooperative may accumulate up to three (3) months deposit as stated above. If the account is disconnected and has three (3) months deposit, the amount then due will be for all services rendered and supplied up to the time of disconnection PLUS all applicable charges shall apply.

Original: 3/18/02

Amended: 2/25/03 – effective 7/1/03

INITIAL DEPOSITS

- | | | |
|----|---|--|
| 1) | OWN HOME OR MOBILE HOME & GROUND
(Mobile homes must have permanent water & sewer)
DEPOSIT | NO |
| 2) | OWN THE FACILITY & GROUND
DEPOSIT | NO |
| 3) | CONTRACT FOR DEED – if the seller guarantees
Payment of bills with a notarized letter | NO DEPOSIT |
| 4) | RENT | TWO MONTHS HIGHEST BILL |
| 5) | OWN THE FACILITY BUT <u>NOT</u> THE GROUND | TWO MONTHS HIGHEST BILL |
| 6) | COMMERCIAL (SMALL) – look at each case | \$100 MINIMUM* |
| 7) | LARGE COMMERCIAL OR INDUSTRIAL** | |
| 8) | FAILURE TO PROVIDE REQUESTED INFORMATION | TWO MONTHS HIGHEST
BILL (OR ESTIMATE) |

*In all cases, where it is determined that a deposit is required, the minimum shall be \$100.00.

**Will be decided by the President and/or the Board of Directors.

The basis for a School, State, Federal or other such account shall be made by the President and/or the Board of Directors.

Adopted 2/25/03 – effective 7/1/03
DATE AMENDED: 10/25/05

**CLINTON COUNTY ELECTRIC COOPERATIVE INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 116

SUBJECT: DAMAGE TO COOPERATIVE EQUIPMENT AND/OR PROPERTY

I. OBJECTIVE: To establish fair and equitable replacement and/or reparation costs for Cooperative equipment and/or property damaged by others.

II. POLICY:

A. Clinton County Electric Cooperative, Inc. will bill anyone who either maliciously, negligently or accidentally does damage to any property of the Cooperative.

B. When items owned by the Cooperative, such as, but not limited to, poles, guy wires, power lines, fencing, substations, trucks, charge meters, trenchers and trailers are damaged by accident or maliciousness or negligence, the person or persons responsible for such damage will be billed for the entire cost of replacement or repairs, including overhead costs. Labor charges, in effect at the time and deemed appropriate by the Cooperative, will also be assessed and will be included in the total amount billed.

C. An itemized statement will be given to the person or persons billed as provided above. The statement will reflect the materials and equipment used overhead costs and hours of labor.

D. Credit will be allowed for any usable materials that are returned to stock, with poles prorated over the number of years of service based on current prices. All new materials used will be billed at Cooperative's cost, plus overhead.

DATE ADOPTED: 2/16/88

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 118

SUBJECT: METER TEST REQUEST

I. OBJECTIVE: To establish guidelines for meter test requested by Cooperative members.

II. POLICY:

A. The Clinton County Electric Cooperative, Inc. will provide a test of a member's meter, upon request by the member, after the member has paid a \$50.00 deposit for single phase meters and a \$100.00 deposit for three phase meters, and if the Cooperative believes the member has a legitimate reason for such a test. The testing will be done by a qualified and licensed testing laboratory to determine the accuracy of the meter.

B. If the test results indicate the meter is less than 100% accurate, the Cooperative will retain the deposit.

C. If the test results indicate the meter was fast, or 100% plus, the Cooperative will return the deposit to the member, with no interest.

D. The Cooperative retains the privilege of having such a test conducted by their normally used meter testing laboratory, and also retains the right of installing a new or recently tested meter at the member's residence during the time the original meter has been removed for such testing purposes. After the test is completed, the Cooperative will normally put the original meter back at the member's residence but does retain the right to leave the meter that was installed during the time original meter was removed for test at the residence. Such meter installed during the period of test will either be a recently tested or a new meter.

E. No meter will be removed for a test until the required fee is paid in advance.

F. Test cards returned with meter from testing laboratory will be evidence used to determine if meter was either fast or slow. Copy of same to be sent to member.

DATE ADTOPED: 2/16/88

DATE AMENDED: 5/23/06 Yeas 9 ; Nays 0 ; Abstains 0 ;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 121

SUBJECT: METER SEALS

I. OBJECTIVE: To establish rules and procedures for the installation of and the removal of Cooperative meter seals.

II. POLICY: All the electric meters installed on the Cooperative distribution lines have been sealed either at the time of original installation, when the meter was tested when the meter reading was checked by Cooperative employees and/or when the meter was changed because of some kind of fault.

- A. Meter seals are not to be removed by anyone other than the Cooperative employees. If the seal has to be removed for reasons other than emergencies, the person requesting to remove the seal must have permission from an employee of the Cooperative who will, after giving such authorization, make a report on the call, the reason, date and when a new seal can be put back in place.**
- B. Seals can be removed without such authorization in case of emergency; such as, building fires, wires down or machinery (such as an elevator) becoming entangled in the wires. If and when this is necessary, the incident should be reported to the Cooperative immediately after the emergency so a new seal can be put back in place by Cooperative personnel.**

III. When a meter seal is removed without permission, an immediate check on why the seal is missing or tampered with will be made by Cooperative employees.

- A. If it is determined that the seal was removed and/or tampered with so that the member could use electric energy without the use of the meter in place, or with a meter in place that had been tampered with, the consumer will be notified of a meeting with Cooperative management and will be requested to furnish an explanation of the findings.**
- B. Service will normally be disconnected where such an incident occurs and it will normally remain disconnected until the member involved agrees to explain to Cooperative personnel the reason(s) for removing and/or tampering with the meter.**
- C. When it is determined that energy was used with a meter removed from the socket or with a meter that was tampered with, the Cooperative will estimate the energy believed used by the consumer, as per past history, and bill the member for such energy, in addition to the trip charges and other costs involved.**
- D. If the estimate for the amount of energy used by the consumer is such that the consumer believes it is too high, Cooperative personnel will then explain to the consumer how they arrived at the estimate, normally based on past history, and that the amount due for the estimated energy used, plus other costs, is an honest and true estimate and must be paid. If the consumer refuses to pay the estimated amount due, plus other charges, service will be disconnected immediately and remain disconnected until the bill due is paid in full. If necessary, the Cooperative will turn the case over to the Cooperative attorney for further action.**
- E. If/when service is restored, a new seal, or even a padlock will be installed and the meter will be checked periodically for such further incidents.**

IV. RESPONSIBILITY: The manager shall be responsible for further necessary action should a violation occur where the member involved refuses to abide by the Cooperative Billing Department's estimate and/or billing.

DATE APPROVED: 2/16/88

AMENDED: 3/28/00

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 122

SUBJECT: ADVANCED BILLING

I. OBJECTIVE: To establish rules and procedures for those seasonal users who ask, or for those who are mandated, to be billed in advance.

II. POLICY: The Cooperative will make an Advanced Billing Schedule available to members of the Clinton County Electric Cooperative, Inc. who have a seasonal cottage, or similar type of connection, because it is normally a hardship to read the meter and for them to make the energy payment each month, as required.

A. Those members of the Cooperative who have a membership or service connection for a seasonal location will be asked to go on the Advanced Billing Schedule, and they will be billed under the provisions of Rate Schedule No. 0011, Seasonal.

B. Members on this schedule will be asked to make an advanced payment on July 15th of each year, consisting of twelve (12) times the monthly Facility Charge of the Seasonal Rate in effect at the time.

C. The Cooperative will read the meter at least once each year and bill the member for all the KWHs used for the previous months, as per Seasonal Rate, in effect at the time, plus tax.

D. The WPCA charge applied to the bill for all the energy used for the previous months will be the average of all the previous WPCA charges applied monthly to all other consumers' energy bills.

E. Member/Consumer who agrees to go on the Advanced Billing must also agree to stay on this schedule for at least one year. If member/consumer requests that the billing schedule be changed, such request will be honored only on the fifteenth (15th) of July of each year.

F. When a member requests that his service be disconnected because of the cost involved, he will not be reconnected for up to twelve (12) months, unless he agrees to pay the Facility Charge, plus tax, for those months that service was disconnected, plus the disconnect and reconnect charges.

G. If, after twelve (12) consecutive months of no service, the terminated member wants service restored he will then be required to go on the Advanced Billing Schedule.

H. When a member requests that he be taken off Advanced Billing and put on the regular residential rate, he will then be required to make monthly payments and keep service connected for twelve (12) consecutive months.

I. When seasonal loads are such that a large amount of kilowatt-hours will be used, the member may be asked to make an advance payment on the estimated energy charges at the same time he makes pre-payment of the Facility Charge.

J. Members not making payment due in the catch-up month, July 15-25, for energy used in the prior months will be disconnected after delinquent notice has been mailed and no response to said bill was received by the Cooperative.

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 122, CONTINUED

- 1. If service is disconnected for this reason, the member will not be reconnected until all prior charges, plus disconnect and reconnect charges, and advanced payments due under the Advanced Billing Schedule, are paid in full.**

III. RESPONSIBILITY: It shall be the duty of the Office Manager and the Billing Department to enforce this policy. The Manager is to be kept informed of problem areas and, in some cases, will make final decisions.

**DATE ADOPTED: 2/16/88
AMENDED: 12/20/88
AMENDED: 11/27/90
AMENDED: 03/28/00**

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 125

SUBJECT: SEASONAL DISCONNECTS AND RECONNECTS

I. OBJECTIVE: Because seasonal connections are not always a feasible load and because of the low average of revenue received from seasonal connections, it is recommended that the electric service of the seasonal connection be kept connected on a year-round basis.

II. POLICY:

A. Members wanting service disconnected anytime before the twelve (12) month period has expired will not be eligible for any return of the Advanced Billing paid, and will be required to pay for all Kwhs, plus tax, used up to the time of the disconnect, with no trip charges.

B. If service is requested to be reconnected after it has been disconnected, and before a full twelve (12) month period has elapsed, the member will be required to pay for the disconnect trip charge plus a reconnect charge and for all past due amounts owed for KWHs used, plus tax, if not previously paid, and for all other Advanced Billing Payments that may be required.

C. If service is requested to be disconnected after the one full year of service, and all bills are paid in full, it will be done at no cost to the member, unless the same person should ask it to be reconnected before a full twelve (12) month period had passed after it was disconnected. After a full twelve (12) month period has passed, the Cooperative will, for one time only, reconnect service at the same location. This will be done one time only and reasons for such disconnect and reconnect, even for this one time only, must be a legitimate reason and, if not, Paragraph B above applies.

D. If an annually billed seasonal account is disconnected for non-payment, it is no longer eligible to be an annually billed seasonal account and must revert to a monthly billed account, if reconnected.

E. Seasonal connections will not be discriminated against, but they are required to pay their way like all other classes of service. No exceptions to this Policy can be made without authorization from management and then such an exception must be made only because of a very legitimate and honest reason.

DATE ADOPTED: 2/16/88

DATE AMENDED: 12/20/88

DATE AMENDED: 02/07/2007 Yeas 9 ; Nays ; Abstains

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 126

**SUBJECT: INTERCONNECTION AND PARALLEL OPERATION
 OF DISTRIBUTED GENERATION**

I. OBJECTIVE

To establish safety, reliability and economic standards for interconnection and parallel operation of distributed generation of member-owned on-site electric generation facilities using renewable fuel sources designed primarily to offset the member's electrical requirements while honoring the cooperative's obligation to provide electricity to all members on a cooperative basis.

II. DEFINITIONS

Distributed generation is defined as any generation built within close proximity to the generating member's load regardless of generation capacity or energy source of such generation and includes but is not limited to:

- A. small scale environmentally friendly generators such as photovoltaics (PV), fuel cells, small wind turbines;
- B. microturbines or reciprocating engines fueled by renewable fuels such as landfill gas or methane gas from digesters;
- C. any qualifying facility (QF) under the Public Utility Regulatory Policies Act of 1978 (PURPA);
- D. any on-site generation with less than 10 MW of capacity interconnected with distribution facilities;
- E. commercial emergency and standby diesel generators installed, for example, in hospitals, hotels and farms;
- F. residential standby generators;
- G. generators installed by a utility at a substation for voltage support or other reliability purposes.

IEEE STANDARD 1547 – The Institute of Electrical and Electronic Engineers, Inc. (IEEE) Standard 1547 (2003) “Standard for Interconnecting Distributed Resources with Electric Power Systems”, as amended and supplemented, at the time the interconnection request is submitted.

IEEE STANDARD 1547.1 – The IEEE Standard 1547.1 (2005) “Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems”, as amended and supplemented, at the time the interconnection request is submitted.

NAMEPLATE CAPACITY – The maximum rated output of a generator, prime mover, or other electric power production equipment under specific conditions designated by the manufacturer and is usually indicated on a nameplate physically attached to the power production equipment.

SMALL GENERATOR FACILITY – The equipment used by an interconnection customer to generate, or store electricity that operates in parallel with the electric distribution system with a nameplate capacity of 10 kW or less. A small generator facility typically includes an electric generator, prime mover, and the interconnection equipment required to safely interconnect with the electric distribution system or local electric power system. These facilities have been approved by a nationally recognized testing laboratory or must have been approved by the cooperative under a study process and qualify for expedited review.

UL STANDARD 1741 – Underwriters Laboratories’ standard titled “Inverters Converters, and Controllers for Use in Independent Power Systems”, November 7, 2005 edition, as amended and supplemented.

WITNESS TEST – For lab certified or field approved equipment, verification (either by an on-site observation or review of documents) by the cooperative that the interconnection installation evaluation required by IEEE Standard 1547 Section 5.3 and the commissioning test required by IEEE Standard 1547 Section 5.4 have been adequately performed. For interconnection equipment that has not been lab certified or field approved, the witness test shall also include the verification by the cooperative of the on-site design tests as required by IEEE Standard 1547 Section 5.1 and verification by the cooperative of production tests required by IEEE Standard 1547 Section 5.2. All tests verified by the cooperative are to be performed in accordance with the test procedures specified by IEEE Standard 1547.1.

III. APPLICABILITY

This interconnection policy applies to cooperative members proposing to install and interconnect small generator facilities that:

- A. Have a nameplate capacity equal to or less than 10 MW;
- B. Are not subject to the interconnection requirements of MISO/PJM; and
- C. Are designed to operate in parallel with the electric distribution system.

IV. INTERCONNECTION REQUESTS

- A. Members seeking to interconnect a generator facility shall submit an interconnection request using the form attached hereto as Attachment A. The request may be eligible for expedited interconnection review if the request is for a small generator facility using lab certified or field approved interconnection equipment.
- B. Interconnection equipment shall be deemed to be lab certified if it is evaluated by a nationally recognized testing laboratory (NRTL) and found to be in compliance with IEEE 1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity), UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems and NFPA 70 National Electrical Code.
- C. Interconnection equipment shall be deemed to be field approved if within the previous 36 months of the date of the interconnection request, it has been previously approved for use with the proposed small generator facility in a materially identical system application, and the prior approval process included a successful witness test.
- D. The member must submit to the cooperative plans of the proposed installation and must obtain approval for the installation. This approval process will include a review by the cooperative of the effect of the proposed generation on the cooperative's distribution system, including its protective scheme. The member requesting interconnection shall pay the cost of this review. No installation will be permitted that reduces reliability to other members or causes voltage conditions on the system to be outside of the limits of ANSI C84.1 Range A. No installation will be permitted that is expected to produce objectionable harmonics on the system. Any mitigation required to resolve harmonic problems created by a member-owned generator will be completed and paid for by the member.
- E. For generating facilities with nameplate ratings greater than 10 kW up to and including 10 MW, the Cooperative shall apply, to the extent practicable and as determined to be in the best interests of the cooperative, the procedures contained in the Small Generator Interconnection Procedures (SGIP) for generating facilities no larger than 20 MW as developed by the Federal Energy Regulatory Commission (FERC) and the Illinois Commerce Commission regulations governing interconnection standards.

V. EXPEDITED REVIEW

- A. The cooperative shall review the application and evaluate the potential for adverse system impacts. Any costs of construction of facilities on the cooperative's system to accommodate the small generator facility shall be paid by the member.
- B. The cooperative shall, within 10 business days after receipt of the interconnection request, inform the applicant that the interconnection request is complete or incomplete and if so, what materials are missing.
- C. The cooperative shall, within 15 business days after the end of the 10 business days noted in B, verify that the small generator facility equipment can be interconnected safely and reliably.
- D. Unless the cooperative determines and demonstrates that a small generator facility cannot be interconnected safely or reliably to its system and provides a letter to the applicant explaining its reasons for denying an interconnection request, the cooperative shall approve the interconnection request subject to the following conditions:
 - 1. The small generator facility has been approved by local or municipal electric code officials with jurisdiction over the interconnections; and
 - 2. A certificate of completion has been returned to the cooperative. Completion of local inspections may be designated on inspection forms used by local inspecting authorities; and
 - 3. The witness test has been successfully completed or waived; and
 - 4. The applicant has signed a standard small generator interconnection agreement and provided proof of insurance or otherwise complied with the terms of the agreement. When an applicant does not sign the agreement within 30 business days after receipt from the cooperative, the interconnection request may be deemed withdrawn unless the applicant requests to have the deadline extended. The request for extension shall not be unreasonably denied by the cooperative.
- E. When a small generator facility is not approved under this expedited review, the applicant may submit a new interconnection request for consideration under the procedures for review of larger capacity generator facilities with a nameplate capacity greater than 10 kW and less than 10 MW.

VI. INSURANCE REQUIREMENTS AND INDEMNIFICATION

- A. Throughout the term of this agreement, the Member shall carry a liability insurance policy issued by a licensed insurance carrier with an A. M. Best rating of B+ or better that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of the member's ownership and/or operation of the distributed generation facility under this agreement. The limits of such policy shall be at least \$1,000,000. per occurrence for those members with small generation facilities. The member shall provide a certificate of insurance containing a minimum 30 day notice of cancellation to the cooperative prior to connection of the member's facility to the cooperative's system.
- B. In the event the member chooses to self-insure, the member shall provide proof of financial responsibility satisfactory to the cooperative and shall indemnify the cooperative, its officers, agents, and employees against all loss, damage, expense and liability to any persons, including members, for injury to or death of persons or injury to property, including but not limited to consequential damages, interest, punitive damages, member's fees and court costs, proximately caused by the indemnifying party's construction, ownership, interconnection, operation, or maintenance of, or by failure of, any of such party's works or facilities used in connection with the operation of the generating facility.

VII. MISCELLANEOUS REQUIREMENTS

- A. The cooperative shall be reimbursed for all costs of interconnection, including all carrying costs, incurred by the cooperative in connecting the member generation facility to the distribution system. Those costs for small generating facilities shall not exceed \$500. unless the facility fails initial testing and additional review is necessary.
- B. The cooperative shall have free access to the member's small generation facility and interconnection equipment at all times to monitor operation of the member's equipment, cooperative-supplied service equipment connected to such system, or to disconnect if the facility is not in compliance with the requirements of IEEE 1547 and the non-compliance adversely affects the safety or reliability of the electric system. The cooperative shall provide reasonable notice to the member prior to disconnection of the facility if possible.
- C. The cooperative shall have the right to inspect and approve all plans for parallel generation systems and the interconnection systems prior to initial operation or subsequent operation following modifications.

- D. The member shall make any necessary changes or adjustments to the additional facilities being operated in parallel to eliminate interference on the cooperative's distribution system.
- E. The member shall not energize the cooperative's system during any period of utility service interruption. The member's equipment must contain a disconnect device to which the cooperative has access and which the cooperative can lock in an open position to disconnect, for safety reasons, the member's electric generating facility for the cooperative's electric delivery system.
- F. Electric generation facilities may be disconnected by the cooperative from its system whenever, in the sole opinion of the cooperative, such action is required by an emergency, for reasons of safety or due to interference with service to other members. The facility shall also be subject to the cooperative's requirements for maintaining voltage standards of output and the production of reactive power.
- G. Phase, frequency and voltage of the member's interconnected generation shall be compatible with that provided by the cooperative.
- H. The members shall pay the cost of interconnection including initial and future transmission, distribution, metering, service and other facilities costs necessary to permit interconnected operations with the cooperative.
- I. Any auxiliary or reserve power service required by the member must be arranged in accordance with the terms of the cooperative's applicable policies/rates as modified from time to time.
- J. In the event of a dispute, either party shall provide the other Party with a written Notice of Dispute describing in detail the nature of the dispute. If the dispute has not been resolved within two Business Days after receipt of the Notice, either Party may request assistance from a reputable dispute resolution service for assistance in resolving the dispute. The service will select an appropriate dispute resolution venue, (e.g., mediation, settlement judge, early neutral evaluation, or technical expert) to assist the Parties in resolving their dispute. Each party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties utilized in the attempt to resolve the dispute. If neither party elects to seek assistance from a dispute resolution service, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this policy.

ADOPTED: 2-28-08 YEA 9 NAY 0 ABSTAIN 0

ATTACHMENT A

CLINTON COUNTY ELECTRIC COOPERATIVE Application for Operation of Member-Owned Generation

This application should be completed and returned to the Cooperative.

INFORMATION: *This application is used by the Cooperative to determine the required equipment configuration for the Member interface. Every effort should be made to supply as much information as possible.*



PART 1 OWNER/APPLICANT INFORMATION

Owner/Member

Name: _____

Mailing Address: _____

City: _____ County: _____ State: _____ Zip Code: _____

Phone Number: _____ Representative: _____

Email Address: _____ Fax Number: _____

.....
PROJECT DESIGN/ENGINEERING (ARCHITECT) (as applicable)

Company: _____ License/Registration Number _____

Mailing Address: _____

City: _____ County: _____ State: _____ Zip Code: _____

Phone Number: _____ Representative: _____

Email Address: _____ Fax Number: _____

.....
ELECTRICAL CONTRACTOR (as applicable)

Company: _____ License/Registration Number _____

Mailing Address: _____

City: _____ County: _____ State: _____ Zip Code: _____

Phone Number: _____ Representative: _____

Email Address: _____ Fax Number: _____

.....
TYPE OF GENERATOR (as applicable)

Photovoltaic _____ Wind _____ Microturbine _____
Diesel Engine _____ Gas Engine _____ Combustion Turbine _____
Other _____

.....
ESTIMATED LOAD, GENERATOR RATING AND MODE OF OPERATION INFORMATION

The following information is necessary to help properly design the Cooperative member interconnection.
This information is not intended as a commitment or contract for billing purposes.

Total Site Load _____ (kW)
Residential _____ Commercial _____ Industrial _____
Generator Rating _____ (kW) Annual Estimated Generation _____ (kWh)

Mode of Operation

Isolated _____ Paralleling _____ Power Export _____

.....
DESCRIPTION OF PROPOSED INSTALLATION AND OPERATION

Give a general description of the proposed installation, including a detailed description of its planned location, the date you plan to operate the generator, the frequency with which you plan to operate it and whether you plan to operate it during on or off-peak hours.

PART 2

(Complete all applicable items. Copy this page as required for additional generators)

SYNCHRONOUS GENERATOR DATA

Unit Number: _____ Total number of units with listed specifications on site: _____
Manufacturer: _____
Type: _____ Date of manufacture: _____
Serial Number (each): _____
Phases: Single Three R.P.M.: _____ Frequency (Hz): _____
Rated Output (for one unit): _____ Kilowatt _____ Kilovolt-Ampere
Rated Power Factor (%): _____ Rated Voltage (Volts): _____ Rated Amperes: _____
Field Volts: _____ Field Amps: _____ Motoring power (kW): _____

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Synchronous Reactance (Xd): _____ % on _____ KVA base
Transient Reactance (X'd): _____ % on _____ KVA base
Subtransient Reactance (X''d): _____ % on _____ KVA base
Negative Sequence Reactance (Xs): _____ % on _____ KVA base
Zero Sequence Reactance (Xo): _____ % on _____ KVA base
Neutral Grounding Resistor (if applicable): _____

I_2^2t or K (heating time constant): _____

Additional information: _____

INDUCTION GENERATOR DATA

Rotor Resistance (Rr): _____ ohms Stator Resistance (Rs): _____ ohms
Rotor Reactance (Xr): _____ ohms Stator Reactance (Xs): _____ ohms
Magnetizing Reactance (Xm): _____ ohms Short Circuit Reactance (Xd''): _____ ohms
Design letter: _____ Frame Size: _____
Exciting Current: _____ Temp Rise (deg C^o): _____
Reactive Power Required: _____ Vars (no load), _____ Vars (full load)
Additional information: _____

PRIME MOVER (Complete all applicable items)

Unit Number: _____ Type: _____
Manufacturer: _____
Serial Number: _____ Date of manufacture: _____
H.P. Rated: _____ H.P. Max.: _____ Inertia Constant: _____ lb.-ft.²
Energy Source (hydro, steam, wind, etc.) _____

GENERATOR TRANSFORMER (Complete all applicable items)

TRANSFORMER (between generator and utility system)

Generator unit number: _____ Date of manufacturer: _____
Manufacturer: _____
Serial Number: _____
High Voltage: _____ KV, Connection: delta wye, Neutral solidly grounded?
Low Voltage: _____ KV, Connection: delta wye, Neutral solidly grounded?
Transformer Impedance(Z): _____ % on _____ KVA base.
Transformer Resistance (R): _____ % on _____ KVA base.
Transformer Reactance (X): _____ % on _____ KVA base.
Neutral Grounding Resistor (if applicable): _____

-Page 3 of 5-

.....
INVERTER DATA (if applicable)

Manufacturer: _____ Model: _____
Rated Power Factor (%): _____ Rated Voltage (Volts): _____ Rated Amperes: _____
Inverter Type (ferroresonant, step, pulse-width modulation, etc): _____

Type commutation: forced line
Harmonic Distortion: Maximum Single Harmonic (%) _____
Maximum Total Harmonic (%) _____

Note: Attach all available calculations, test reports, and oscillographic prints showing inverter output voltage and current waveforms.

.....
POWER CIRCUIT BREAKER (if applicable)

Manufacturer: _____ Model: _____
Rated Voltage (kilovolts): _____ Rated ampacity (Amperes) _____
Interrupting rating (Amperes): _____ BIL Rating: _____
Interrupting medium / insulating medium (ex. Vacuum, gas, oil) _____ / _____
Control Voltage (Closing): _____ (Volts) AC DC
Control Voltage (Tripping): _____ (Volts) AC DC Battery Charged Capacitor
Close energy: Spring Motor Hydraulic Pneumatic Other: _____
Trip energy: Spring Motor Hydraulic Pneumatic Other: _____
Bushing Current Transformers: _____ (Max. ratio) Relay Accuracy Class: _____
Multi ratio? No Yes: (Available taps) _____

.....
ADDITIONAL INFORMATION

In addition to the items listed above, please attach a detailed one-line diagram of the proposed facility, all applicable elementary diagrams, major equipment, (generators, transformers, inverters, circuit breakers, protective relays, etc.) specifications, test reports, etc., and any other applicable drawings or documents necessary for the proper design of the interconnection. Also describe the project's planned operating mode (e.g., combined heat and power, peak shaving, etc.), and its address or grid coordinates.

END OF PART 2

ATTACHMENT B

**AGREEMENT FOR INTERCONNECTION AND PARALLEL
OPERATION OF DISTRIBUTED GENERATION**

DATE OF AGREEMENT: _____

Clinton County Electric Cooperative, Inc.
455 North Main
Breese, IL 62230

_____ (Member)

This Agreement for Interconnection and Parallel Operation of Distributed Generation (hereinafter “Agreement”) is made and entered the date indicated above between **CLINTON COUNTY ELECTRIC COOPERATIVE, INC.**, (hereinafter referred to as “Cooperative”), an electric cooperative organized under the laws of the State of Illinois, and _____, (hereinafter referred to as “Member”), a member/owner of the cooperative presently receiving electric service from Cooperative, each hereinafter sometimes referred to individually as “Party” or both referred to collectively as the “Parties”.

In consideration of the mutual covenants set forth herein, and other good and valuable consideration, the sufficiency and receipt thereof is hereby acknowledged, the Parties agree as follows:

1. Scope of Agreement – This Agreement addresses the conditions under which the Cooperative and Member agree that one or more generating facilities (herein “distributed generation” and more particularly described in Exhibit A) owned and/or operated by Member with a nameplate capacity of 10 MW or less, can be interconnected at 120/240(V) or less (collectively hereinafter sometimes referred to as the “Facilities” to the Cooperative’s electric power distribution system (hereinafter sometimes referred to as the “System”). This Agreement shall not entitle the Member to electric service beyond the terms of a separate membership agreement for service and to the Cooperative’s rules, policies, regulations, by-laws and rates (hereinafter collectively “Requirements”).

2. Establishment of Point of Interconnection –Cooperative and Member agree to interconnect the Facilities at the location(s) specified in Exhibit A “Point of Interconnection” in accordance with the terms of the Cooperative’s policy on Interconnection and Parallel Operation of Distributed Generation and the Institute of Electrical and Electronic Engineers (IEEE) Standards 1547, 1547.1 and UL Standard 1741.

3. Responsibilities of Cooperative and Member for Installation, Operation and Maintenance of Facilities – Member will, at member’s cost and expense, install, operate, maintain, repair, and inspect, and shall be fully responsible for, its facilities and interconnection facilities, unless otherwise specified on Exhibit A. Member shall conduct operations of its facilities and interconnection facilities in compliance with all aspects of the cooperative’s requirements and in accordance with industry standards and prudent engineering practice. Maintenance of facilities and interconnection facilities shall be performed in accordance with the applicable manufacturers’ recommended maintenance schedule. Member agrees to cause its facilities and interconnection facilities to be constructed in accordance with Policy 126 Interconnection and Parallel Operation of Distributed Generation. The Cooperative shall have the right to inspect and require changes prior to energizing. Phase, frequency and voltage of the member’s interconnected generation shall be compatible with that provided by the cooperative.

Member shall comply with all applicable Federal, State and local laws, regulations, zoning codes, building codes, safety rules and environmental restrictions applicable to the design, installation, operation and maintenance of its facilities and interconnection facilities.

The Cooperative will notify Member if there is evidence that the facilities’ or interconnection facilities’ operation causes disturbance, disruption or deterioration of service to other members served from the System or if the facilities’ or interconnection facilities’ operation causes damage to the System. If this condition persists, the Cooperative shall have the right to disconnect Member from the System. Member will notify the Cooperative of any emergency or hazardous condition or occurrence with Member’s facilities or interconnection facilities which could affect safe operation of the System.

4. Operator in Charge – Member shall provide a phone number and address of an individual contact person with knowledge of this agreement, familiar with the installation, maintenance and operation of the interconnection facilities and with the authority to disconnect the facility from the system in the event the cooperative requires doing so.

5. No Power Sales to Cooperative - Interconnection of the Facilities with the System does not grant Member the right to export power nor does it constitute an agreement by the Cooperative to purchase or wheel power. Purchase of excess facility capacity is governed by the Cooperative's Net Metering and Cooperative Purchase of Excess Member Owned Generation Capacity.

6. Limitation of Liability and Indemnification

a. Notwithstanding any other provision in this Agreement, with respect to the Cooperative's provision of electric service to Member and the services provided by the Cooperative pursuant to this Agreement, Cooperative's liability to Member shall be limited as set forth in the Cooperative's rules, bylaws, policies, contracts, and terms and conditions for electric service, which are incorporated herein by reference, and in no event shall the Cooperative be liable for loss of profit, loss of operation time, or loss of or reduction in use of any facilities or any portion thereof, increased expense of construction, operation or maintenance, or for any special, indirect, incidental, or consequential damages resulting from the construction, operation or maintenance of the member's facility.

b. For the purposes of this Agreement, a Force Majeure event is any event beyond the reasonable control of the affected party that the affected party is unable to prevent or provide against by exercising reasonable diligence. This includes but is not limited to public disorder, rebellion or insurrection, floods, hurricanes, earthquakes, lightning, storms or other natural calamities, explosions or fires, strikes, work stoppages or labor disputes, embargoes, and sabotage. If a Force Majeure event prevents a party from fulfilling any obligations under this Agreement, such party will promptly notify the other party in writing and will keep the other party informed on a continuing basis as to the scope and duration of the Force Majeure event. The affected party will specify the circumstances of the Force Majeure event, its expected duration and the steps that the affected party is taking to mitigate the effect of the event on its performance. The affected party will be entitled to suspend or modify its performance of obligations under this Agreement but will use reasonable efforts to resume its performance as soon as possible.

c. Member shall be responsible for the safe installation, maintenance, repair and condition of lines, wires, switches, or other equipment or property on its side of the point of interconnection. The Cooperative does not assume any duty of inspecting Member's lines, wires, switches, or other equipment or property and will not be responsible therefore. Member assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith at or beyond the point of interconnection.

7. Testing and Testing Records – Member shall perform or cause to be performed such tests as the Cooperative may reasonably require and shall provide to the Cooperative all records of testing. Testing of protection systems shall comply with existing industry standards and practices. These records shall include testing at the start of operation and periodic testing thereafter. Factory testing of pre-packaged interconnection facilities and the protective systems of small units shall be acceptable in the absence of reasonable grounds for additional testing. In the case of a factory test, Member shall provide a written description and certification by the factory of the test, the test results, and the qualification of any independent testing laboratory. In addition, Member shall obtain approval by the Cooperative of the settings of the equipment being installed prior to operation.

8. Right of Access, Equipment Installation, Removal & Inspection – The Cooperative shall have free access to the member's small generation facility and interconnection equipment at all times to monitor operation of the member's equipment, cooperative-supplied service equipment connected to such system, or to disconnect for good cause, without prior notice to the member, member's equipment from the cooperative's distribution system.

The Cooperative shall also have access to Member's premises and to operational records for any reasonable purpose in connection with the interconnection described in this Agreement, the Requirements, or to provide service to its members.

9. Disconnection of Facilities – Member retains the option to disconnect its facilities from the System, provided that Member notifies the Cooperative of the member's intent to disconnect by giving the Cooperative at least thirty (30) days' prior written notice. Such disconnection shall not be a termination of this Agreement unless Member exercises rights under Section 12 that do not lead to a resolution of the issue.

Member shall disconnect Facilities from the System upon the effective date of any termination resulting from and required by actions under Section 12.

The Cooperative may disconnect the electric generation facilities from its system whenever, in the sole opinion of the cooperative, such action is required by an emergency, for reasons of safety or due to interference with service to other members. The facility shall also be subject to the cooperative's requirements for maintaining voltage standards of output and the production of reactive power.

10. Metering – The Cooperative shall be reimbursed for all costs of interconnection, including all carrying and metering costs, incurred by the Cooperative in connecting the member generation facility to the distribution system. Metering shall meet accuracy standards required for equivalent electrical services and can be accomplished with standard meters or any devices that meet data collection and accuracy requirements.

11. Insurance – Throughout the term of this agreement, Member shall carry a liability insurance policy issued by a licensed insurance carrier with an A. M. Best rating of B+ or better that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of the member's ownership and/or operation of the DG Facility under this agreement. The limits of such policy for a small generation facility shall be at least \$1,000,000. per occurrence. The member shall provide a certificate of insurance containing a minimum 30 day notice of cancellation to the Cooperative prior to connection of the member's facility to the Cooperative system.

As an alternative to providing insurance coverage, the member may choose to self insure by providing proof of financial responsibility satisfactory to the cooperative and agrees to indemnify the cooperative, its officers, agents, and employees against all loss, damage, expense and liability to any persons, including members, for injury to or death of persons or injury to property, including but not limited to consequential damages, interest, punitive damages, member's fees and court costs, proximately caused by the indemnifying party's construction, ownership, interconnection, operation, or maintenance of, or by failure of, any of such member's works or facilities used in connection with the operation of the generating facility.

12. Effective Term and Termination Rights – This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. This Agreement may be terminated as follows: (a) Member may terminate this Agreement at any time by giving the Cooperative at least sixty (60) days' written notice; (b) Cooperative may terminate upon failure by Member to generate energy from the Facilities within six (6) months after completion of the interconnection; (c) either Party may terminate by giving the other Party at least thirty (30) days prior written notice that the other Party is in default of any of the terms and conditions of the Agreement or the Rules or any rate schedule, regulation, contract, or policy of the Cooperative, so long as the notice specifies the basis for termination and there is opportunity to cure the default; (d) Cooperative may terminate by giving Member at least sixty (60) days notice in the event that there is a material change in an applicable law, or any change in policy or procedure pertaining to distributed generation by the Cooperative's wholesale electric supplier or requirement of any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the System; (e) Cooperative may terminate this Agreement upon three (3) business days notice in the event Member ceases to receive electric service from Cooperative or is in default of terms or conditions for electric service; in the event that a Party (i) makes a general assignment or arrangement for the benefit or creditors; (ii) commences an action or proceeding under any bankruptcy, insolvency or similar law for the protection of debtors or creditors, or has commenced against it any such action or proceeding which is not withdrawn or dismissed within thirty (30) days; (iii) otherwise is adjudicated a debtor in bankruptcy or insolvent; (iv) is unable (or admits in writing its inability) generally to pay its debts as they become due; (v) is

dissolved or has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, acquisition or merger); (vi) seeks or becomes subject to the appointment of an administrator, assignee, conservator, receiver, trustee or similar official for substantially all of its assets; (vii) has a secured party take possession of all or substantially all of its assets or has all, or has substantially all of its assets become subject to an attachment, execution, levy, sequestration or other legal process which is not dismissed discharged, stayed or restrained within thirty (30) days; (viii) causes or is subject to any event that has an effect analogous to any of the events enumerated in clauses (i) through (vii); or (ix) takes any action in furtherance of, or indicates its consent to, approval of, or acquiescence in any of the foregoing acts or events; then, in such event, this Agreement shall terminate automatically without notice and without any other action by either Party.

13. Compliance with Laws, Rules and Regulations– Member shall be responsible for complying with all federal, state and local laws. In the event Member’s facilities, interconnection or disposition of electricity generated by the distributed generation are, or become, subject to Federal, State or local regulation, Member is, and shall be, responsible for regulatory compliance. The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the Rules and the Cooperative’s policies governing interconnection of distributed generation. The Cooperative reserves the right to change the Rules and policies at any time.

14. Severability – If any portion or provision of this Agreement is held or adjudged for any reason to be invalid or illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed separate and independent, and the remainder of this Agreement, shall remain in full force and effect.

15. Amendment – This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

16. Entirety of Agreement – This Agreement, including the requirements contained in the attached Exhibits and Facilities Schedules, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein or in Member’s application, or other written information provided by the Member in compliance with these requirements.

17. Assignment – This Agreement may be assigned to a party receiving electric service from the Cooperative at the site of the Facilities only upon the express written consent of the Cooperative. The assignee will be responsible for the proper operation and maintenance of the Facilities, and must agree in writing to be subject to all provisions of this Agreement. Cooperative may assign the Agreement to another entity with the written approval of Member. Required consents shall not be withheld unreasonably.

18. Notices – Notices given under this Agreement are deemed to have been duly delivered once received by United States certified mail, return receipt requested, postage prepaid, to:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other.

19. Invoicing and Payment – Invoicing and payment terms for services associated with this Agreement shall be consistent with applicable cooperative policies.

20. No PURPA Interconnection – The parties agree that the member’s facility is not a qualifying small power production facility or qualifying cogeneration facility as defined in the Public Utility Regulatory Policies Act of 1978 and that nothing herein confers any rights or obligations on either party by application of that Act.

21. No Third-Party Beneficiaries – This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties.

22. Waiver - The failure of either party to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights or duties of the provisions in this Agreement.

23. Governing Law and Jurisdiction – It is agreed that this Agreement shall be construed and governed in accordance with the laws of the State of Illinois and that the circuit court of Clinton County has jurisdiction on all matters relating to the enforcement of this Agreement.

24. In the event of a dispute, either party shall provide the other Party with a written Notice of Dispute describing in detail the nature of the dispute. If the dispute has not been resolved within two Business Days after receipt of the Notice, either Party may request assistance from a reputable dispute resolution service for assistance in resolving the dispute. The service will select an appropriate dispute resolution venue, (e.g., mediation, settlement judge, early neutral evaluation, or technical expert) to assist the Parties in resolving their dispute. Each party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties utilized in the attempt to resolve the dispute. If neither party elects to seek assistance from a dispute resolution service, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this agreement and the rules and policies of the Cooperative.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorized representatives.

CLINTON COUNTY ELECTRIC
COOPERATIVE, INC.

MEMBER

BY: _____

TITLE: _____

WITNESS: _____

EXHIBIT A

DESCRIPTION OF FACILITY SCHEDULE AND POINT OF INTERCONNECTION

Facility Schedule No.

Point of Interconnection

Member will, at Member's own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for its Facilities, unless otherwise specified on Exhibit A.

FACILITIES SCHEDULE NO.

1. Name:
2. Facilities location:
3. Delivery voltage:
4. Metering (voltage, location, losses adjustment due to metering location, and other:
5. Normal Operation of Interconnection:
6. One line diagram attached (check one):/_____ Yes /_____ No
7. Facilities to be furnished by Cooperative:
8. Facilities to be furnished by Consumer:
9. Cost Responsibility:
10. Control area interchange point (check one): /_____ Yes /_____ No
11. Supplemental terms and conditions attached (check one): /_____ Yes /_____ No
12. Cooperative requirements for DG interconnection attached (check one): /_____ Yes /
_____ No

CLINTON COUNTY ELECTRIC
COOPERATIVE, INC.

MEMBER

BY: _____

TITLE: _____

DATE: _____

DATE: _____

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 127

**SUBJECT: NET METERING AND COOPERATIVE PURCHASE
OF EXCESS MEMBER OWNED GENERATION CAPACITY**

I. OBJECTIVE

To comply with the Public Utility Regulatory Policies Act (PURPA), enhance the continued diversification of Illinois' energy resource mix and protect the Illinois environment through the use of renewable fuel sources while honoring the Clinton County Electric Cooperative's (hereafter "cooperative") obligation to provide electricity to all members on a cooperative basis as required by the Illinois Not-for-Profit Act and Revenue Code Section 501(c)(12).

II. DEFINITIONS

Avoided Costs means the incremental costs to the cooperative of electric energy or capacity or both which, but for the purchase from the eligible renewable electrical facility, the cooperative would generate itself or purchase from another source. (Part 430)

Avoided Energy Costs are the avoided variable costs associated with the production of electric energy (kilowatt-hours). These costs represent the avoided costs of fuel and some operating and maintenance expenses or the cost of purchased energy. Identifiable capacity charges included in purchase power agreements shall not be included in the calculation of avoided energy costs. (Part 430)

Avoided Total Costs means the total avoided system energy and new capacity costs (and not the average embedded system cost of capacity) or the avoided cost of a capacity purchase which result from the purchase of energy and capacity from an eligible renewable electrical generating facility. (Part 430)

Capacity Costs are the costs associated with providing the capability to deliver energy: they consist primarily of the capital costs of facilities used to generate and transmit electricity. (Part 430)

Eligible Cooperative Member means a cooperative member that owns or operates a solar, wind, or other eligible renewable electrical generating facility with a rated capacity of not more than 2000 kilowatts that is located on the member's premises and is intended primarily to offset the member's own electrical requirements.

Eligible Renewable Electrical Generating Facility (EREGF) means a generator powered by solar electric energy, wind, dedicated crops grown for electricity generation, anaerobic digestion of livestock or food processing waste, fuel cells or micro turbines powered by renewable fuels, or hydroelectric energy. For purposes of this policy, an

EREGF with a nameplate rating of 10 kW or less is governed by the provisions of Article IV (C). An EREGF with a nameplate rating of more than 10 kW up to 2 MW is governed by the provisions of Article IV (D).

Net Electricity Metering (or “net metering”) means the measurement, during the billing period applicable to an eligible member, of the net amount of electricity supplied by the cooperative to the member’s premises or provided to the cooperative by the member.

III. APPLICABILITY

This net metering policy applies to eligible cooperative members that choose to interconnect their EREGF with the cooperative’s distribution system and operate same in parallel with the cooperative system.

IV. PROVISIONS

- A. The eligible cooperative member shall first comply with the provisions of the Cooperative’s Policy 126 Interconnection and Parallel Operation of Distributed Generation.
- B. The cooperative will install and maintain metering equipment capable of measuring the flow of electricity both into and out of the customer’s facility at the same rate and ratio. If member’s existing meter is not capable of meeting this requirement, or if the customer requests an additional meter, the cost of installing and maintaining same shall be paid by the member.
- C. For EREGFs with a nameplate rating of 10 kilowatts and below, the cooperative shall measure and charge or credit for the net electricity supplied to eligible cooperative members or provided by eligible cooperative members as follows:
 - 1. If the amount of electricity used by the member during the billing period exceeds the amount of electricity produced by the member, the cooperative shall charge the member for the net electricity supplied to and used by the member at the retail rates the member would be charged if the member was not a net metering member.
 - 2. If the amount of electricity produced by a member during the billing period exceeds the amount of electricity used by the member during that billing period, the cooperative will apply a 1:1 kilowatt-hour credit to a subsequent bill for service to the member for the net electricity supplied to the cooperative. The cooperative shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to

offset any member-generator consumption in those billing periods until all credits are used or until the end of the quarter year.

3. At the end of the quarter year that service is supplied by means of net metering, or in the event that the member terminates service with the cooperative during a quarter year period, any remaining credits in the member's account shall expire.
- D. For EREGFs with a nameplate rating over 10 kilowatts up to 2 MW, the cooperative shall compensate the eligible member for any excess kilowatt-hour credits at the cooperative's avoided cost of electricity supply over the monthly periods or as otherwise determined by the terms of a power purchase agreement negotiated between the member and cooperative. (680) Alternative arrangements may include but are not limited to:
- monthly capacity fees representing capacity costs,
 - net billing,
 - time of use rates,
 - facilities charge adjustments,
 - stand-by rates,
 - avoided total costs,
- all of which should reflect the cost of providing power to the eligible member and does not discriminate between eligible members and members without EREGF.
- E. All renewable energy credits, greenhouse gas emission credits and renewable energy attributes related to any electricity produced by the EREGF and purchased by the cooperative shall be treated as owned by the eligible member.
- F. The cooperative shall provide net metering to eligible members until the load of its net metering members equals 1% of the total peak demand supplied by the cooperative during the previous year. The cooperative may in its sole discretion offer net metering beyond the 1% level if it chooses to do so.
- G. This policy is subject to all federal, state and local laws, the cooperative's articles of incorporation, bylaws and existing policies and the terms and conditions of the cooperative's existing power supply contracts and loan agreements. To the extent any provision of this policy conflicts with those obligations, those provisions are deemed null and void.

ADOPTED: February 28, 2008 Aye__9__ Nay __0__ Abstain __0__

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

MEMBERS: POLICY NO. 128

SUBJECT: SECURITY LIGHTING

I. OBJECTIVE: To enable any Cooperative member to obtain Security Lighting at a monthly rental rate, as stated in Rate Schedule No. 0006.

II. POLICY:

A. The Mercury Vapor, or similar types of lighting fixtures available from the Cooperative will be installed on a Cooperative-owned pole, normally in place, or needed in line extension, at the rate(s) stated in Rate Schedule No. 0006.

B. Members/consumers wanting such a light fixture placed on a pole not already in place, or on a pole not needed to extend a new service, will be required to pay for the materials needed to place the pole in the location requested by them. This location is limited to an extension of no more than 150 feet from an existing Cooperative pole, a member's pole in good condition, or from a building where 120/240-Volt service is available.

- 1. When the member/consumer is required to pay for such an extension, the Cooperative will provide the labor at no charge, and will maintain and service the lighting fixture only. Wire, pole and other materials will be owned by the member and must be maintained by the member.**
- 2. The member must pay for the necessary extension work within thirty (30) days after completion or Security Light and line extension will be removed.**
- 3. A five-year contract will be required on any Security Light installations placed on poles other than Cooperative owned poles.**

C. Security Lighting, available through the Cooperative, will not be installed on an existing pole owned by member, and already in place, unless the pole is less than five (5) years old and has been inspected and approved by the Cooperative Engineering Department.

D. In an effort to decrease the Cooperative's KW demand, the Cooperative offers to its membership a Security Light Change-Out program. This program makes available to the membership a High Pressure Sodium (HPS) Security Light, which replaces the existing Mercury Vapor (MV) fixture, currently used by the Cooperative for Security Lighting. Under this Change-Out Program, the member will be billed a \$25.00 change-out fee.

- 1. For this \$25.00, the member receives the old MV light in its current condition with no warranty on said fixture.**
- 2. The Cooperative installs the HPS fixture in place of the old MV light.**
- 3. The Cooperative WILL NOT re-install the old MV fixture for the member at any other location.**
- 4. The Cooperative's maintenance of the old MV fixture is also terminated.**
- 5. If the member does not want the old MV light, the change-out fee of \$25.00 still applies; however, the Cooperative will bring the MV light into its warehouse and, at its discretion, either re-sell or junk out the old fixture.**
- 6. Any variations of this change-out procedure MUST BE approved by the Engineering Department of the Cooperative.**

DATE ADOPTED: 2/16/88

DATE AMENDED: 12/20/88

DATE AMENDED: 7/25/00

Yeas 9; Nays 0; Abstains 0;

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.

POLICY BOOK

SERIES 200 - TRUSTEE POLICIES

POLICY NO.	POLICY TITLE/DESCRIPTION	DATE ADOPTED	DATE AMENDED	DATE AMENDED	DATE AMENDED
200	Trustee Authority; Statements & Acts of Same	3/15/1988			
201	Trustee Search & Selection for Mid-Term Vacancies	3/15/1988	11/27/1990	7/25/2000	
202	Election & Credentials Committee	3/24/1992	2/27/1996	3/28/2000 (wording change)	
203	Function of the Board of Trustees	3/15/1988	3/28/2000 (wording change)	3/25/2003	
204	Date & Time of Regular Monthly Board Meeting	3/15/1988 3/28/2000 (wording change)	12/20/1988	11/27/1990	8/27/1996
205	Director Duties & Standards of Conduct	4/27/2004			
206	Board of Trustees/President Relationship	3/15/1988	12/20/1988	3/28/2000	7/25/2000
207	Function of Audit Committee	3/23/2004			
208	Per Diem & Expenses for Trustees	3/15/1988	7/25/2000	7/25/2005	4/26/2011
209	Out-of-State Functions	3/28/1989	3/28/2000 (wording change)	4/26/2011	
210	NRECA 24-hour Accident Insurance	3/15/1988			
211	Conflict of Interest	4/26/2011			
212	Financial Policy	4/26/2011			

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

TRUSTEES: POLICY NO. 200

SUBJECT: TRUSTEE AUTHORITY; STATEMENTS AND ACTS OF SAME

I. OBJECTIVE: To recognize that the Board of Trustees sets overall Cooperative Policy as a committee of the whole, and to disavow individual acts, statements and comments of individual Trustees, unless such has been by resolution, Bylaw or other legal authorization or by expressed ratification, adopted by the Board.

II. POLICY:

A. The business and affairs of the Cooperative shall be established by the Board of Trustees which shall exercise all of the powers of the Cooperative, by setting overall policy and delegating day-to-day management to the President, excepting, however, any matters reserved by law, the Articles of Incorporation, or the Bylaws of the members of the Cooperative.

B. The Board of Trustees may act only as a body in a legally constituted meeting or in any other legally permitted method of taking official corporate action.

C. Individual Trustees, unless otherwise authorized by the Articles of Incorporation or the Bylaws, or unless by a specific resolution granting authority or by express ratification by the Board may not by their individual acts, statements or comments, bind the Cooperative in any way. Express disavowal of such acts, statements or comments by the Board shall not be required, but may, if desired, be made.

DATE ADOPTED: 3/15/88

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

TRUSTEES: POLICY NO. 201

SUBJECT: TRUSTEE SEARCH AND SELECTION FOR MID-TERM VACANCIES

I. OBJECTIVE: To establish guidelines to ensure that the most qualified people are appointed to fill mid-term vacancies which may occur on the Board of Trustees and to clearly spell out the procedures involved.

II. POLICY:

A. Every effort shall be made to anticipate as far in advance as possible vacancies that may occur on the Board of Trustees.

B. When such a vacancy occurs or is anticipated, the Board Chairman will appoint a Trustee Search and Selection Committee of three Trustees from the Board of Trustees.

C. The Board Chairman shall meet initially with the committee and explain the functions of the committee.

D. This committee shall consider only individual(s) for the Board of Trustees who meet the qualifications and specifications of a Board member, as described in Section 4.02 of the Cooperative Bylaws.

E. The committee shall then meet with the entire Board of Trustees and discuss its recommendations.

F. In the case of filling a vacancy, the Board, by an affirmative vote of a majority of the remaining Trustees, shall appoint a Trustee to fill the vacancy from those individuals recommended by the committee, who shall serve the remainder of the term of the Trustee being replaced.

III. RESPONSIBILITY: It shall be the responsibility of the Chairman of the Board of Trustees to see that this policy is adhered to.

DATE ADOPTED: 3/15/88

DATE AMENDED: 11/27/90

DATE AMENDED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

TRUSTEES: POLICY NO. 202

SUBJECT: ELECTION & CREDENTIALS COMMITTEE

I. OBJECTIVE: To establish guidelines and procedures for the reimbursement of mileage to those Cooperative members appointed to serve on the Election & Credentials Committee.

II. POLICY:

A. Cooperative members appointed to serve on the Election & Credentials Committee shall be reimbursed for mileage traveled to and from the location of such meeting, plus a flat fee to cover other such incidental expenses.

- 1. Those members appointed to serve on the Election & Credentials Committee using their own vehicles to transport themselves to and from the location of the Election & Credentials Committee meeting shall be reimbursed for those miles traveled at the rate equal to the deduction allowed by IRS.**
- 2. When two (2) or more members travel in one vehicle, only the owner of the vehicle used will be paid for mileage.**
- 3. The members of the Election & Credentials Committee who are appointed and who attend the Election & Credentials Committee meeting will be paid \$20.00 for other incidental expenditures they might have incurred.**

III. RESPONSIBILITY

A. The President or any other employee of the Cooperative designated to open the Election & Credentials Committee meeting shall gather such information (such as mileage driven, etc.) from those members of the Committee attending the meeting and give such information to the Accounting Division for payment. Checks will be mailed to all concerned as soon as possible after the date of the meeting.

DATE ADOPTED: March 24, 1992

DATE AMENDED: Feb. 27, 1996 (AYES 9; NAYS 0; ABSTAINS 0)

DATE AMENDED: 3/28/00 (wording change)

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

TRUSTEES: POLICY NO. 203

SUBJECT: FUNCTION OF THE BOARD OF TRUSTEES

I. OBJECTIVE: To set forth and define the function of the Board of Trustees of Clinton County Electric Cooperative, Inc.

II. POLICY:

A. General Function:

- 1. The general business administration and affairs of the Cooperative shall be managed by the Board of Trustees. The Board of Trustees shall exercise all the powers of the Cooperative, except as are by law or by the Bylaws conferred upon or reserved to the members.**
- 2. The Board of Trustees will select, employ and, if necessary, terminate the employment of the President. They will determine guiding policies and provide or authorize adequate facilities, including land, plant and equipment and provision for necessary money for such facilities.**
- 3. The Board of Trustees will set up broad personnel policies and standards with the advice of the President that are essential to provide satisfying and challenging work experiences to employees, as well as financial rewards.**
- 4. It will provide policies and authorize programs for maintaining good relations with members based on understanding and also formulate policies and programs of public relations, upon the advice of the President.**
- 5. The Chairman of the Board of Trustees will appoint committees, in consultation with the President and subject to the approval of the Board of Trustees. The Board will receive reports from any such groups, and it will review periodic reports (financial, operating, program activities, etc.) from the President and check for conformity to the Bylaws, Articles of Incorporation, ideals, objectives, goals and end results.**
- 6. The Board will hold well-planned and effectively conducted meetings to keep informed, to provide needed policies and facilities to ensure desired end results.**
- 7. The Board of Trustees will, from time to time, advise the President upon his request, regarding the specific executive decisions which are part of the President's delegated responsibilities and for which he is held accountable for results.**
- 8. The Board of Trustees will keep informed and grow in its own understanding and skills as Board members and should develop a systematic program to keep growing in its abilities.**

B. Major Functions of the Board of Trustees

- 1. Planning - The Board of Trustees considers and adopts short and long range plans with respect to:**
 - a. Determining ideals, viewpoints, objectives and results desired, guided in part by the Articles of Incorporation and Bylaws.**
 - b. Determining, in consultation with the President, the guiding policies.**

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 203, CONTINUED

- c. **Reviewing and approving Board operating programs of services and activities developed and recommended by the President.**
- d. **Reviewing, revising when necessary, and approving the operating budget in terms of the end results, risks and evidence of conditions promising to attain the desired end results.**
- e. **Considering and adopting, in consultation with the President, the financial plans and policies essential to maintaining a sound financial structure.**
- f. **Considering and adopting, in consultation with the President, broad personnel policies essential to accomplish the objectives of the Cooperative and provide the employees growth and development.**
- g. **Determining, in consultation with the President, policies for maintaining a well-informed membership and for effective member-system relations, effective public relations and efficient use of electric power.**

C. Legal Entity Function - The Board of Trustees establishes and maintains legal entity with respect to:

- 1. **Seeing that the legal requirements as set forth in the Articles of Incorporation, the Bylaws, and rules and regulations are complied with regularly, including, but not necessarily limited, to:**
 - a. **All federal, state and local statutes and ordinances.**
 - b. **Federal and state tax and regulatory agencies.**
- 2. **Holding and protecting the assets of the Cooperative.**
- 3. **Hiring and discharge of legal counsel to advise the Board, considering the recommendations of the President.**
- 4. **Studying, reviewing and considering adoption of changes in the Bylaws as necessary or advantageous to the Cooperative and keeps appropriate persons informed of such changes and the reasons for such changes.**
- 5. **Executing, or authorizing the execution of, legal contracts.**
- 6. **Review new memberships.**
- 7. **Conducting all Board meetings and membership meetings in a manner that meets all requirements and maintains and uses accurate minutes, properly recorded and officially approved, of all Board meetings and of all membership meetings.**
- 8. **Evaluate the performance of the President on a scheduled basis, at least once annually.**

D. Fiduciary Function - The Board of Trustees acts as fiduciary of owner interests with respect to:

- 1. **Conducting well-planned membership meetings so as to adequately report to members on the affairs of their business; to inform members on matters important to them; to get their ideas and suggestions and to obtain their further understanding of and support for the objectives, goals, policies, plans and programs of the Cooperative.**

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 203, CONTINUED

2. Informing the members of results of the operations of the Cooperative through meetings, special newsletters, publications and other means.
3. Complying with the Board policies and the Bylaws as amended from time to time.
4. Keeping informed and developing their own skills and understandings as individual Board members and occasionally arranging for an evaluation of the Board's performance.
5. Seeing that a continuous program of member and public information and effective relations in both areas is carried out to obtain and to continue to have understanding and support of the objectives, goals, policies, plans and programs of the Cooperative.
6. Keeping members informed of problems faced by the Cooperative that their support will help solve.
7. Holding well-planned and effective Board meetings often enough to keep informed, to provide policies, facilities and financing and to assure achievement of desired results.

E. Resources Function - The Board of Trustees provides operating requirements with respect to:

1. Authorizing the monies, facilities and equipment necessary to carry out the objectives of the Cooperative. The Board delegates to the President all purchasing authority within the limitations of the budget and the established Board policies.
2. Selecting and employing a competent President and delegating to him the complete responsibility and authority to select and employ personnel and terminate their employment, if such action is deemed necessary by the President.
3. Advising the President, at his request, in regard to specific managerial decisions, which are his responsibility to make, and for the results of which he is to be held accountable.

F. Controlling Function - The Board of Trustees establishes controls that it uses in appraising the effectiveness of the operations by:

1. Reviewing periodic reports from the President and checking for conformity to the adopted viewpoints, objectives, policies, major goals, plans and programs. These reports should be sufficient in scope to enable the Board to:
 - a. Determine how operations are progressing, as compared to standards, plans and budget.
 - b. Predict trends and forecast results on the basis of trends.
 - c. Determine where changes or remedies are needed to prevent serious deviations or better accomplish the objectives.
 - d. Establish source of material for planning or for replanning.
 - d. Measure performance against standards, plans and budget.

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 203, CONTINUED

- 2. Confirm the selection of a certified public accountant to conduct the annual audit.**
- 3. Reviewing, with the Audit Committee, the annual financial audit and seeing that such remedial action as necessary is taken.**
- 4. Reviewing the independent management audit, and seeing that the recommendations are carried out by receiving, reviewing and discussing regular progress reports from the President.**

DATE ADOPTED: 3/15/88

DATE AMENDED: 3/28/00 (wording change)

DATE AMENDED: 3/25/03 (YEAS 9; NAYS 0; ABSTAINS 0)

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

TRUSTEES: POLICY NO. 204

SUBJECT: DATE & TIME OF REGULAR MONTHLY BOARD MEETING

I. OBJECTIVE: To establish the date, time and place of the regular monthly meetings of the Board of Trustees of Clinton County Electric Cooperative, Inc., per Article V of the Cooperative Bylaws.

II. POLICY:

A. The Board of Trustees of the Clinton County Electric Cooperative, Inc. for the regular monthly Board meetings, shall meet on the fourth Tuesday of each month, beginning at 6:30 PM at the Cooperative office in Breese, IL.

1. The time, date and place of such meeting can be changed at the previous meeting with consent of the majority of the Trustees.

B. When a change is recommended in date, time and/or place of meeting, such request shall require approval of the majority of the Board of Trustees at the previous meeting, or

C. Per Article V, Section 5.01 of the Cooperative Bylaws, the Chairman may change the date, time or place of a regular meeting for good cause and upon not less than five (5) days' notice thereof to all Trustees.

D. Special meetings of the Board of Trustees are discussed in the Cooperative Bylaws, Article V, Section 5.02, Section 5.03 and Section 5.04.

DATE ADOPTED: 3/15/88

DATE AMENDED: 12/20/88

DATE AMENDED: 11/27 90

DATE AMENDED: 8/27/96 (AYES 8; NAYS 0; ABSTAINS 0)

DATE AMENDED: 3/28/00 (wording change)

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS

TRUSTEES: POLICY NO. 205

SUBJECT: DIRECTOR DUTIES AND STANDARDS OF CONDUCT

- I. OBJECTIVE: To explain the fiduciary duties of directors and to clarify the standards of conduct for which they will be held accountable when serving on the board.

All of the powers of the corporation are conferred upon and may be exercised by the Board of Directors, except as reserved to or conferred upon the members by law, the articles of incorporation, or the bylaws. It is the purpose of this policy to identify or establish standards whereby such power may be exercised in the best interest of the cooperative.

II. POLICY:

A. LEGAL DUTIES

Directors are subject to legal standards of fiduciary responsibility. These include the duties of care and loyalty.

Under the duty of care, directors are required to:

1. Exercise that degree of care that an ordinary prudent person would exercise under similar circumstances.
2. Have or acquire the minimum knowledge and skills necessary to direct the affairs of the cooperative.
3. Make every effort to attend all meetings of the board and to study materials sent prior to each board meeting.
4. Study and adhere to all obligations imposed by the Articles of Incorporation, the bylaws, contractual agreements and board policies.

Under the duty of loyalty, directors are required to:

1. Act only in the best interest of the cooperative and its members.
2. Place the interests of the cooperative over any personal interest.
3. Not have any financial interest in a directly competing business.
4. Avoid the appearance of any conflict of interest.
5. Avoid any future conflict of interest by refusing to receive any remuneration from any entity proposing to purchase all or substantially all of the assets of the cooperative.
6. Represent and support the interests of the cooperative to elected and public officials.
7. Publicly support decisions of the board except in extraordinary circumstances where the director believes that there is a clear and present threat to the survival of the cooperative.

B. CONDUCT WITH RESPECT TO FELLOW DIRECTORS:

Regardless of any personal differences, directors should:

1. Demonstrate mutual respect.
2. Allow opportunity for every other director to be heard on any matter being considered by the board.

3. Abstain from revealing to persons other than directors, the President or the system's attorney any differences of positions among directors on matters considered and acted upon by the board. (This standard does not preclude fair and accurate publication of such differences to the system's members in relation to contests for director elections or other matters to be voted upon by the members.)

C. DIRECTOR ACCESS TO COOPERATIVE INFORMATION:

Any director is entitled to have access to cooperative data or information, at reasonable times during the business hours for a proper purpose that is germane to his or her standing as a member or director. This principle is subject to the following:

1. All requests for information shall be made to and through the President. In no case shall such information be sought through other employees, agents or independent contractors (unless after consultation with and being advised by the system's attorney because of actual or potential criminal activity the President is involved in).
2. In any instance in which a director has sought access to information not generally made available or reported to the board, the President shall report on this at the next meeting of the board.
3. Information received by a director pursuant to this policy shall not be revealed by him or her to any other persons (the remaining directors, President and system attorney excepted) unless he or she is sincerely convinced that he or she is compelled to do so by legal considerations.
4. In no case should a director reveal to others information and data he or she receives if the actual or potential effect of such revelations is to damage the system, including its image, or to enable him and/or others to personally profit therefrom.

D. GOOD FAITH AND FAIR PLAY

Every director shall deal in good faith and fair play with every other director and the President in expressing his views, questions and concerns relating to cooperative policies, rates and programs. Good faith and fair play require:

1. All directors should reveal all information or interests that they may have and that bear upon action being considered by the cooperative.
2. Those directors will not pursue a position, inquiry or motion as to unduly harass or annoy other directors, the President, employees or independent contractors.
3. That director communications with employees other than the President shall be casual and conducted on a courteous basis, but not for the purpose of influencing an employee's position or attitude concerning his cooperative – related activities.

III. POLICY IMPLEMENTATION AND RESPONSIBILITY

1. All candidates, nominees or appointees to the board shall receive a copy of this policy and attest by their signatures to having received the policy.
2. Clinton County Electric Cooperative's legal counsel shall inform all candidates, nominees or appointees to the board regarding the terms and conditions of this policy and the personal liability implications resulting from policy violations.
3. Clinton County Electric Cooperative's counsel shall review this policy with the board on an annual basis and discuss any personal liability implications resulting from violations.
4. The Chairman of the Board shall ensure that this policy is followed.

DATE ADOPTED & EFFECTIVE: April 27, 2004 (Ayes 8; Nays 0; Abstains 0)

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

**Affirmation of Reception, Understanding Of & Support Of
POLICY NO. 205
DIRECTORS DUTIES & STANDARDS OF CONDUCT**

I, the undersigned, have received, read, understand and support the Board Policy on Directors Duties and Standards of Conduct.

(Print Name legibly) _____

Signature _____

Date _____

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

TRUSTEES: POLICY NO. 206

SUBJECT: BOARD OF TRUSTEES/PRESIDENT RELATIONSHIP

I. OBJECTIVE: To establish the policy governing the basic relationship between the Board and the President of Clinton County Electric Cooperative, Inc. including the principles involving the delegation of authority.

II. POLICY:

A. The Board of Trustees recognizes, establishes and maintains the following guidelines in their relationship with the President:

- 1. It is recognized that good management is the most important factor in the success of Clinton County Electric Cooperative, Inc. This includes a strong and effective Board, President and staff, as well as dedicated and capable employees. In exercising its responsibilities, the Board reserves authority to establish policies, approve plans and programs, and delegate authority to the President, except those that are by law, the Articles of Incorporation and Bylaws, conferred upon or reserved to the Board.**
- 2. The Board recognizes the responsibility and need to establish policies, approve plans and programs, appraise results achieved, and delegate authority to the President to execute and carry out plans, programs and policies. The President shall, among other things, be responsible for the hiring of capable personnel, determining compensation within the approved wage and salary plan and policy, training, supervising and terminating, if necessary.**
- 3. All policies of the Board shall be adopted at regular or special meetings acting collectively as a Board. The Chairman or the officers, or the President as appropriate, is delegated the responsibility of carrying out such policies and reporting back to the Board on the results achieved.**
- 4. The Board recognizes that should any Trustee undertake in private conversation with others to make commitments for the Board, unless directed officially by the Board, that director becomes involved in a serious breach of policy that might disrupt the entire organization. The Board member may be subject to reprimand from his fellow Board members should he attempt to make commitments unofficially for the Board.**
- 5. It shall be the policy of the Board to refrain as individuals from discussing management and personnel problems with personnel of Clinton County Electric Cooperative, Inc. The Board, in consultation with the President, may confer with key personnel at regular or special meetings of the Board.**
- 6. It shall be distinctly understood that the "flow" of authority for the management of Clinton County Electric Cooperative, Inc. shall be through the President to the Board. The Board shall require full and complete information from the President concerning matters in connection with the management of Clinton County Electric Cooperative, Inc. as set forth in Board policies.**

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

POLICY NO. 206, CONTINUED

7. **Primarily, the purpose of this policy is to define the relationship that shall exist between the Board, who are the elected Trustees of the members, and the President, who is employed by the Board. The Board recognizes that efficient management of Clinton County Electric Cooperative, Inc. can exist only through mutual understanding and complete cooperation between the Board and the President. The President is expected to produce results and give an account to the Board for his stewardship. His performance cannot be of the best unless he is given latitude to exercise independent judgement in executing policies of the Board.
The Board acknowledges that obligation and gives the President that latitude of judgment and discretion, and expects faithful performance in carrying out all of the policies.**
8. **The Board recognizes responsibility for the employment of the President and further, the additional responsibility for a systematic appraisal annually of the President's performance in order that growth, development and effective improvements are encouraged.**

III. RESPONSIBILITIES

- A. **The Chairman shall be responsible for directing the attention of Board members to violations of this policy.**
- B. **The Chairman shall decide if an appraisal of the President's performance is necessary; whereupon an appraisal may be done by the full Board of Trustees, and the results discussed with the President.**

DATE ADOPTED: 3/15/88

DATE AMENDED: 12/20/88

DATE AMENDED: 3/28/00

DATE AMENDED: 7/25/00 Yeas 9; Nays 0; Abstains 0;

CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS

TRUSTEES: POLICY NO. 207

SUBJECT: FUNCTION OF AUDIT COMMITTEE

I. OBJECTIVE: To establish guidelines within which the members of the Audit Committee will function.

II. POLICY:

A. The Audit Committee shall consist of three (3) members of the Board of which the Chairman shall serve as one, the Treasurer shall serve as one and the third shall be appointed by the Chairman and approved by the Board.

B. The Committee shall be directly responsible for appointing, compensating and over seeing the Cooperative's independent auditor, including resolving disagreements between management and the auditor regarding financial reporting for the purpose of preparing or issuing an audit report or related work, subject to confirmation by the full Board of Directors. In addition, the Committee shall review other such financial matters as requested by the Chairman of the Board.

C. The Chairman shall be responsible for receiving complaints regarding accounting, internal controls or auditing matters and forwarding such complaints for retention and handling to the Committee. Matters concerning questionable accounting or auditing matters may be submitted anonymously to the Chairman; such submissions shall be treated as confidential.

D. The Committee will meet as necessary with the President/Chief Operating Officer and the Manager of Administrative Services to review the financial status of the Cooperative.

III. RESPONSIBILITY: Chairman of the Board of Directors

Date Adopted and effective: March 23, 2004 (AYES_9_; NAYS_0_; ABSTAINS_0_)

**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS
TRUSTEE POLICY**

SUBJECT: PER DIEM & EXPENSES FOR TRUSTEES	POLICY NUMBER: 208
EFFECTIVE DATE: 3/15/1988	
REVISED DATE(S): 12/20/1988, 7/25/2000, 7/25/2005	

I. OBJECTIVE

To provide compensation to the Board of Trustees while attending meetings that are beneficial to the Cooperative. This policy will address when a meeting will be compensated and associated travel expenses reimbursed.

II. POLICY

The following compensation will be paid by the Cooperative to any person who lawfully serves on the Board of Trustees of the Cooperative.

Section 1.0 – Trustee Benefits

- A. Per Diem Compensation. A per diem as established from time to time by the Board for meetings attended will be paid to the Trustee, see below.
- B. The Trustees should attend the following meetings [and receive the per diem compensation and travel expense reimbursement]:
 - 1. Clinton County Electric Cooperative regular board meetings
 - 2. Clinton County Electric Cooperative special board meetings
 - 3. Clinton County Electric Cooperative committee meetings
 - 4. Clinton County Electric Cooperative Annual Membership Meeting
 - 5. Delegate or Alternate Delegate for Southern Services, LLC meetings
 - 6. One of Clinton County Electric Cooperative Area Meetings
 - 7. Any meeting that Trustee is appointed to attend by Board or Board Chairman
- C. Trustees should attempt to attend the following meetings of related organizations upon approval of the Board of Trustees [and receive the per diem compensation and travel expense reimbursement]:

1. AIEC Annual Meeting
 2. Southern Illinois Power Cooperative's Annual Meeting
- D. Trustees may attend the following educational meetings upon approval of the Board of Trustees [and receive the per diem compensation and travel expense reimbursement]:
1. NRECA and/or CFC Annual Meetings
 2. NRECA Directors Conference
 3. CFC Forum
 4. NRECA Region 5 meeting
 5. NRECA Legislative Conference
 6. ACES Power Marketing Members Meeting
 7. Education and training classes necessary to complete certification by NRECA as a credentialed director or for board leadership or both
 8. Other Education and training classes that would benefit the Cooperative
- E. If a Trustee is paid a per diem or other compensation by any of the organizations listed in this Policy for attendance at any meeting, then such Trustee shall not receive payment of any per diem from the Cooperative for the same meeting. If a Trustee is reimbursed for expenses by any of the organizations listed in this Policy for attendance at any meeting, then such Trustee shall not be reimbursed by the Cooperative for the same expenses under this Policy.
- F. It shall be the function of the Chairman of the Board of Trustees to limit the number of Trustees who shall attend functions that are out-of-state and require over-night lodging, or of a distance greater than one hundred-fifty (150) miles from the Cooperative headquarters.
1. The Chairman is authorized to send no more than three (3) Trustees, preferably one (1) from each district, to such out-of-state functions.
 2. The Chairman and/or President shall prepare and keep a listing of such out-of-state functions attended, so that each Trustee, as much as possible, shall have the opportunity to attend an equal number of these functions.
 3. Only by a vote of 2/3s of the Board of Trustees (six Trustees) may more than the designated number of Trustees be allowed to attend such out-of-state functions.
- G. Meetings that will NOT receive the per diem compensation and travel expense reimbursement:
1. Attendance at more than one Clinton County Electric Cooperative Area Meeting
 2. Clinton County Electric Cooperative's Christmas Party

3. Clinton County Electric Cooperative's Advisory Committee Annual Meeting
 4. Clinton County Electric Cooperative's Open House
 5. Another Electric/Telephone Cooperative's Annual Meeting
 6. Other meetings that are "social" in nature
- H. Trustees shall be offered the following other benefits:
1. Director's Travel
 2. Federated Rural Electric Insurance Exchange Management Liability Insurance for Directors (DOM)
 3. Subscriptions to:
 - a. NRECA's Rural Electric Magazine
 - b. NRECA's Electric Co-op Today

Section 2.0 – Trustee Travel Expenses

- A. Travel Expense Reimbursement. Travel reimbursement will be paid for the meetings listed above in the following manner.
- B. Travel Expenses: Trustees shall be reimbursed for all reasonable and legitimate expenses for attendance at such meetings upon submission of a detailed expense account, with receipts attached as appropriate. No expenses will be paid for spouses of Trustees accompanying them to meetings. Travel shall be reimbursed on the following basis:
1. If commercial air travel is available, then regardless of the method of travel used, reimbursement shall be for the expenses actually incurred, but shall not exceed round trip airfare by the most reasonable means.
 2. First-class air travel shall not be approved for payment.
 3. If a trustee elects to travel by personal automobile, mileage reimbursement shall be at the current rate established by the Internal Revenue Service and total mileage reimbursement shall not exceed the cost of round trip airfare by the most reasonable means. The expense reimbursement request will be reviewed by the President before presentation to the Board for approval.
 4. Trustees are encouraged to pool vehicles whenever possible.
 5. When the Cooperative's automobile is used for such travel, no mileage will be allowed, but the Cooperative will pay for gas, oil, or any necessary vehicle repairs or related fees.
 6. If two or more trustees travel together, mileage expense shall be paid to only one trustee.

The trustees shall take reasonable precautions when making air travel arrangements so as to avoid unnecessary risks to the governance and management of the Cooperative. To this end, when practicable, the trustees shall limit their collective travel on a single aircraft/vehicle to no more than a minority of the total trustees.

C. Reimbursement of Expenses Related to Car rentals, Lodging, Meals and Other Expenses: The Board hereby establishes the following reimbursements for expenses related to lodging, meals and other expenses of a member of the Board of the Cooperative.

1. The board of trustees shall receive an amount equal to the actual out-of-pocket expenses, including hotel, motel or other sleeping accommodations, car rental, taxi or bus fares to and from the place of business, parking fees, etc., incurred as a result of engagement on the above activities and any other legitimate expense necessary to carry out the assignment other than those included in meal per diem. Receipts shall be attached to the expense report to cover the major items of expense. Incidental expenses such as tips for shuttle buses, valets and such will not need a receipt.
2. Meal per diem will be equal to \$65.00 / day, which will be broken down as such, breakfast will be \$15.00 , lunch will be \$20.00 and dinner will be at \$30.00 , these amounts are subject to change, overnight stay is not required. No receipts will be required for meals.
3. Reimbursement of Expenses Related to Personal Expenses. Any personal expenses incurred for entertainment or purchased foods and services not related to business activities shall not be eligible for reimbursement.
4. General. All expenses incurred under this Policy shall be paid by the trustee engaged upon the activity and shall be reimbursed upon return and upon submission of an itemized report and receipts exclusive of meals.
5. Approval. All trustee travel expenses will require board approval
 - a.

D. Trustees approved to attend meetings or education opportunities will be paid per diem and expenses for a cumulative of no more than two (2) day prior and /or after the meeting or educational opportunity, regardless of the mode of travel for meeting that are over 300 miles away.

E. The Board Chairman is authorized, if needed, to make final judgment on per diems and expense reimbursements.

	, Chairman Date: April 26, 2011
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**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS
TRUSTEE POLICY**

SUBJECT: OUT-OF-STATE FUNCTIONS	POLICY NUMBER: 209
EFFECTIVE DATE: 3/28/1989	
REVISED DATE(S): 03/28/00	

Added to Policy 208 04/26/2011

, Chairman	Date: April 26, 2011
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**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS**

TRUSTEES: POLICY NO. 210

SUBJECT: NRECA 24-HOUR ACCIDENT INSURANCE

I. OBJECTIVE: To make available to Trustees of Clinton County Electric Cooperative, Inc. a 24-hour- accident insurance policy.

II. POLICY:

A. The Trustees of the Clinton County Electric Cooperative, Inc. are eligible to participate in the NRECA 24-hour insurance plan, if 75% of the Trustees participate.

B. Plans available vary in principal sums payable and the plan to be adopted is to be decided by those Trustees wanting to participate.

C. Premiums for such policy is to be paid by those Trustees participating.

DATE ADOPTED: 3/15/88

**CLINTON COUNTY ELECTRIC COOPERATIVE INC.
BREESE, ILLINOIS
TRUSTEE POLICIES**

SUBJECT: CONFLICT OF INTEREST	POLICY NUMBER: 211
EFFECTIVE DATE: 04/26/2011	
REVISED DATE(S):	

I. OBJECTIVE

This Policy describes the situations and conditions that can create a conflict of interest so that trustees can recognize potential conflicts of interest, seek to avoid them, process to report a possible breach and when unavoidable, understand their obligation to and the procedure for disclosing the potential conflict.

II. POLICY

1.0 Members of the Board of Trustees of the Cooperative are expected to uphold the highest ethical standards in performing their duties to the Cooperative. When a trustee has a private interest - a financial or other personal interest - that may be at odds with the best interests of the Cooperative, this is a conflict of interest. Such a conflict may also be expressed as a division of loyalties, which makes it difficult for the trustee to be completely objective about a decision. Trustees should avoid any private interest that influences their ability to act in the best interests of the Cooperative or that creates the appearance of conflict of interest.

1.01 Service on Other Boards

1.01.01 Board members of the Cooperative may from time to time serve on a board of directors of a generation and transmission cooperative, a statewide electric cooperative organization or a national organization as a representative of the Cooperative. Further, board members of the Cooperative may also be sought after to serve on other boards, including without limitation, other corporations, local civic organizations, hospitals, charities, and business leagues. Each trustee must be aware of the potential for a conflict of interest arising when simultaneously serving on the boards of two or more organizations.

1.01.02 In the case of service on a G&T or statewide board, it is understood that the nature of our federated system of cooperatives creates a situation where the distribution cooperative will be conducting business with the G&T and/or

statewide. This business relationship creates an inherent conflict of interest that is unavoidable. However, it is the responsibility of the trustee to fulfill the trustee's fiduciary duty to the entity that the trustee is presently serving. Stated simply, when a trustee of the Cooperative is sitting in the Board room for the G&T, the trustee's fiduciary duty is to act in the best interests of the G&T, even if such interests are at odds with the best interests of the Cooperative and vice versa. However, when a specific business issue arises between the G&T (or statewide) and the Cooperative, including any dispute about rates, money owed, etc., the trustee of the Cooperative must ensure that the trustee does not request or insist on any treatment for the Cooperative that is different from the other members of the G&T (or statewide), or in other terms, request "special treatment".

1.01.03 In the case of service on a board other than a statewide, G&T or national cooperative organization, then the trustees of the Cooperative must consider whether they have sufficient time and energy necessary to fulfill their duties and responsibilities to multiple organizations. If a trustee believes that the trustee can fulfill multiple roles and no inherent conflict exists in terms of such other entity doing business or competing with the Cooperative, then the trustee shall disclose the trustee's intention to serve the other entity to the Board prior to election or appointment to the other board. If a trustee is not certain that the trustee can fully serve the Cooperative and fulfill the trustee's duties to the other organization, then the trustee should decline to serve the other entity.

1.02 Confidentiality of Cooperative Information

The complete confidentiality of business information must be respected at all times. Trustees are prohibited from knowingly disclosing such information to those who do not have the need to know, or whose interest may be adverse to the Cooperative both inside or outside the organization; or in any way using such information for personal gain or advancement; or to the detriment of the Cooperative; or to individually conduct negotiations or make contacts or inquiries on behalf of the Cooperative unless officially designated to do so.

1.03 Avoid Conflicts of Interest

Every trustee of the Cooperative is expected to avoid situations which might be construed or give the appearance as conflicts of interest since it is not feasible in a policy statement such as this to describe all the circumstances and conditions that might be or have the potential of being considered conflicts of interest.

1.04 Disclosure of a Conflict or Potential Conflict

Every trustee of the Cooperative is expected to disclose any situation to the Board Chairman, which, in the director's opinion, violates, may violate, or could appear to violate the intent of this Policy.

1.05 Adherence to the Cooperative's Code of Ethics

In order to maintain the highest ethical standards in the conduct of the Cooperative's affairs and in its relationships with consumers, suppliers, employees, advisors, and the communities in which we serve, the Board shall as a body and as individuals adhere to the corporate Code of Ethics.

1.06 Gifts and Other Payments or Offers

Trustees are prohibited from receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, or financial institutions, which obligate or induce them to compromise their responsibilities to negotiate, obligate, inspect or audit, or award contracts, solely in the best interests of the Cooperative. This does not prohibit receiving gifts or favors of nominal value or casual entertainment that meet all standards of ethical business conduct, and involves no element of concealment.

1.07 Investment or Participation in other Cooperatives or Corporations

Directors are prohibited from acquiring or having a financial interest in any property which the Cooperative acquires or a direct or indirect financial interest in a supplier, contractor, consultant, or other entity with which the Cooperative does business. This does not prohibit the ownership of securities in a publicly owned company except in a substantial amount by those in a position to materially influence or affect the business relationship between the Cooperative and such publicly owned company. Any other interest in or relationship with an outside organization or individual having business dealings with the Cooperative is prohibited if this interest or relationship might tend to impair the ability of the trustees to serve the best interests of the Cooperative.

1.08 Relationship to Staff & Others (Nepotism)

If members of "close relative" of a trustee have a financial interest as specified above, such interest shall be fully disclosed to the Board of Trustees which shall decide if such interest should prevent the Cooperative from entering into a particular transaction, purchase, or employment of services. The term "close relative" is defined shall be defined in the Bylaws of the Cooperative.

1.09 Actions considered inconsistent with these Policies are to be reported to the entire Board. Any such report shall be discussed at the next scheduled Board meeting, where all sides of the issue will be heard. In the event a trustee has a conflict of interest on a matter before the Board, the trustee shall recuse himself or herself and shall not attend

that portion of the meeting at which the conflict is discussed. If a question remains, the Cooperative's general counsel shall investigate the matter and report back to the Board.

	, Chairman Date: April 26, 2011
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**CLINTON COUNTY ELECTRIC COOPERATIVE, INC.
BREESE, ILLINOIS
TRUSTEE POLICIES**

SUBJECT: FINANCIAL POLICY	POLICY NUMBER: 212
EFFECTIVE DATE: 04/26/2011	
REVISED DATE(S):	

I. OBJECTIVE

The objective of this Financial Policy is to provide guidelines and direction from the Board to Management in order to maintain a sound financial position and provide for the security of the financial resources of the Cooperative.

The Cooperative is organized under the laws of the State of Illinois and will at all times be operated on a cooperative not-for-profit basis for the mutual benefit of its members and patrons. In addition to these legal requirements, the Cooperative is guided in its operations by regulations and operational practices prescribed by various regulatory bodies and/or lender(s). Beyond these legal, regulatory, and lending requirements, the Cooperative has an obligation to its members and patrons to ensure the financial integrity of the Cooperative so that it can provide high quality electric service at the lowest possible long-term cost consistent with prudent business practices not only for today, but long into the future.

II. POLICY

1.01 Responsibilities

1.01.01 Review and Approval by the Board. The Board is responsible for: (1) reviewing, discussing, and evaluating the President's recommendations for the implementation of the Financial Policy; (2) approving the implementation of the Financial Policy as presented or amended; (3) reviewing and evaluating this Policy annually; (3) revising this Policy as circumstances warrant.

1.01.02 Implementation of the Policy. The President is responsible for implementing this Policy and for overseeing development of the practices and procedures necessary to maintain the financial integrity of the Cooperative.

1.01.03 Recommendations to the Board. The President is responsible for recommending revisions to this Policy to the Board as circumstances warrant.

1.01.04 Compliance with the Policy. The Board and President are responsible for the assuring compliance with this Policy.

1.02 Planning Documents

In order to maintain a sound financial position and provide for the most effective management and security of the financial resources of the Cooperative, the Board directs the President to create and update or see to the creation and updating of the following planning reports and documents (hereinafter “reports”). These reports shall be created and updated on a regular basis with frequencies no less than the timeframes in the table below. All reports shall be reviewed and approved by the Board. Note that from time to time there may be other planning reports not included below that may be necessary to meet this Policy’s intent.

<u>Planning Report Description</u>	<u>Update frequency not less than</u>
Wholesale Power Contract	As Necessary
Load Forecast Study (to SIPC)	Annually
Construction Work Plan	4 Years, beginning in 2011
Cooperative Strategic Plan	2 Years
10 Year Financial Forecast	Annually (Implement in 2012)
Capital Budget – Work Plan & General Plant	Annually
Operating Budget	Annually

The Cooperative shall use all resources at its disposal to assist in preparing the aforementioned planning reports. These resources shall include, but are not limited to: annual independent audit; CFC Key Ratio Trend Analysis (KRTA), historical operating statements, balance sheets and cash flow analyses; and cost of service study.

1.03 Financial Goals and Parameters

The Board directs Management to operate the Cooperative so that its financial operating results are within the following goals and parameters as established by the Board. Management shall review these financial goals and parameters annually and recommend changes to the Board, if necessary.

Equity Ratio

In order to minimize the risks associated with insolvency and maintain an optimal cost of capital, the Cooperative will maintain an equity ratio between 35% and 50%. Equity ratio is defined as Total Margins & Equity divided by Total Assets & Other Debits, this will be measured at year end.

Patronage Capital

The Association shall allocate and retire capital credits in a manner that: (1) is consistent with state and federal law; (2) is consistent with operating on a cooperative basis under federal tax law; (3) is fair and reasonable to the Cooperative's patrons and former patrons; (4) provides the Cooperative with sufficient equity and capital to operate effectively and efficiently; and (5) protects the Cooperative's financial condition. Subject to law, the Cooperative's articles of incorporation, and the Cooperative's bylaws, the allocation and retirement of capital credits are at the sole discretion of the Cooperative's Board.

Coverage ratios

In order to minimize liquidity and insolvency risk, management shall strive to achieve the following coverage ratio(s):

MDSC (Modified Debt Service Coverage)

In accordance with the mortgage requirements of NRUCFC, the Cooperative shall maintain a minimum MDSC (2 of 3 year high average) of 1.35. MDSC (2 of 3 year high average) is defined as the average of the high two MDSC ratios of the last three years. The Association's Financial Policy objective is to maintain a MDSC consistent with CFC's minimum.

Investment Policy - General Funds and Other Liquid Assets

Optimal management of electric cooperatives includes the fiduciary responsibility of selecting appropriate investments for general funds and other liquid assets.

Listed below are the approved investment opportunities for general funds that meet the Board's expectations concerning balancing Risk Tolerance, Liquidities, Laws and Regulations, Taxes and Time Horizons.

- CFC Daily Fund
- CFC Member Commercial Paper
- Bank Certificates of Deposit

Short-Term Debt

The Cooperative shall maintain a line-of-credit for short-term operating purposes in an amount not to exceed \$1,500,000.00

The President shall consider and discuss establishing a line-of-credit for interim or bridge financing with the Board on a case-by-case basis.

The President is authorized to establish emergency lines-of-credit as necessary to support the capital and operating needs of storm recovery efforts.

Cost of Service Study

Management and the Board shall strive to maintain a fair, equitable and risk rated balance between the collection of revenue and incurring of expenses between all revenue classes. This balance shall be determined through completion of an industry accepted cost-of-service study, completed on a regular basis, but no less frequently than once every 5 years.

1.04 Financial Forecasting

Management shall create financial forecasts including: an Annual Budget and a 10-year financial forecast, further described below. The forecasts shall use the planning documents identified in this Policy and incorporate the financial goals identified in this Policy.

Annual Budget

Based on the planning documents and the financial goals identified in this Policy, Management shall prepare or cause to be prepared an annual financial budget.

The budget shall include, at a minimum, the following sections:

- Assumptions used to prepare the budget
- Description of the primary changes and projects contemplated for the coming year
- Statement of operations by month
- Year-end Balance Sheet
- Statement of changes in cash flow, detailing cash from operations, investing and financing
- Capital Expenditures

10-year financial forecast

Based on the planning documents and the financial goals identified in this Policy, Management shall prepare, or cause to be prepared, a 10-year financial forecast. The first forecast year will contain the financial data from the annual budget. A summary of the financial forecast shall be reported to the Board at the June or July board meeting each year. The financial forecast shall include and comply with all of the financial goals and parameters identified by the Board in this Policy plus include significant assumptions utilized in its preparation. In order to comply with typical lender requirements, the 10-year financial forecast shall, at a minimum, contain the following sections:

