



DS&O Electric Cooperative, Inc.

HEADQUARTERS

Solomon, KS 67480
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A Touchstone Energy® Cooperative



BUDGET PAYMENT PLAN

It is the purpose of this plan to budget or levelize the Member's monthly service bill based upon the Member's previous 12 months of historical consumption. The Average Billing Plan does bill the Member for actual consumption.

The Average Billing Plan is available to any member of DS&O that receives service under R-q or R-s Residential Rate Schedule. To be eligible, the Member shall sign an application to be billed by the conditions of the plan, shall have accumulated a 12-month historical record of normal electric consumption at their present metering point, and the Member's account must be current.

The amount of the Budget Billing Plan bill shall be calculated each month based upon an average of the kilowatt hours (kWh) used by the Member for the previous 11 months, plus the current month for which the bill is being rendered. It is still the responsibility of the Member to report their meter readings, if applicable, to the Cooperative, thereby allowing the average to be calculated on actual usage. The average kilowatt hours used for billing shall be computed (previous 11-month kWh + Current month kWh) / 12 = average kWh billed. The average kWh is then used to calculate the monthly bill using the current rate in effect, plus applicable taxes and miscellaneous charges. The Average Billing Plan bill is not identical each month. The Member is less subject to high or low bill fluctuations.

All bills rendered by DS&O to the Member will be rendered at the same time and will become payable under the same conditions as any regular billing. The current bill rendered will show, in addition to the average billing amount, a previous balance forward showing any debits or credits, whichever may be applicable. Each bill shall also show the overage or underage of the amounts paid to date as compared to the cumulative actual usage in dollars to date.

Failure to pay any monthly payment on or before the delinquent date shall be cause for termination by DS&O of the BPP with respect to the member, in addition to other remedies permitted by the Rules and Regulations. Late payment charges will be assessed on the budgeted amount, not on the actual current bill.

The Member's account balance must be at or near a "0" balance at least one time during the year. In the event the account does not meet this requirement; DS&O shall have the right to revise the budgeted amount for the succeeding month to bring the account into balance with actual rates and consumption amounts.

The Member may withdraw from the Budget Billing Plan anytime at the Member's choosing. Upon withdrawing from the plan, all accumulated debits will become due and payable to the Cooperative and any credits accumulated by the Member will be paid to the Member or applied to any current billing.

Any Member choosing to withdraw from the Budget Billing Plan or is discontinued for late payment shall remain out of the plan for 12 months before becoming eligible to reenter the plan.

I hereby make application for the Budget Billing Plan. I acknowledge having received a copy of the plan and agree to its term and conditions.

Signed: _____ Date: _____

FOR OFFICE USE ONLY:

Account No. _____ Location: _____ Approved: _____