

Clark Energy Cooperative Inc.
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

PREPAY SERVICE RIDER

STANDARD RIDER

Prepay Service is a voluntary rider to Rate Schedule R – Residential.

AVAILABILITY

Available to all residential consumers excluding accounts on budget billing, automatic bank draft, net metered accounts, accounts with lifesaving medical equipment, accounts greater than 200-amp service and three-phase accounts within the area served by Clark Energy.

RATES

\$ 12.43	Facility Charge
\$ 5.00	Prepay service fee (\$.167 per day)
\$0.08992	per kWh for all energy

TERMS & CONDITIONS

Members who qualify, as defined in “Availability” above may choose to voluntarily enroll their electric account(s) in the Prepay Service and are subject to the following:

1. The member shall purchase electric energy from the Cooperative in accordance with the present and any future rate schedule of the Cooperative on a prepay basis. The terms and conditions set forth in the member’s Application for Membership continue to apply in addition to the terms and conditions of the Agreement for Prepay Service subject to any changes set forth in this agreement.
2. Members choosing to enroll in Prepay Service shall sign a Prepay Service Agreement (“Agreement”). The Agreement shall be for one (1) year. Members are required to notify Clark Energy in writing to terminate the Agreement and opt out of Prepay Service.
3. Upon written cancellation of the Agreement, the member shall be subject to the conditions of the Residential rate schedule without the Prepay Service rider. The member may be required to pay a security deposit at the time of cancellation of the Prepay Service.
4. A current post-pay member can transfer to the Prepay Service program. The Agreement will authorize the kWh used since the last bill date until the date the account is changed to Prepay Service to be calculated and transferred to the Prepay Service account. Clark Energy will, if requested, assist members to set up a payment agreement. Any fees/penalties (returned payment, meter tampering, etc.) shall be paid before any purchases for funding is applied to the member’s Prepay Service account.

DATE OF ISSUE _____ DATE EFFECTIVE March 1, 2019
ISSUED BY _____ TITLE Vice President, Finance
Name of Officer

Issued by authority of an Order of the Public Service Commission in
Case No. 2019-00011 dated _____.

Clark Energy Cooperative Inc.
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

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5. Any deposit will be applied to the final billing for the post-pay account before the account changes to Prepay Service. Any credit remaining on the account will be applied to the Prepay Service account. However, if the member has another account(s) and does not have a satisfactory credit history, the remaining credit will be transferred as a deposit to the unsecured account(s).
6. The recommended initial payment for Prepay Service is \$100.00. Members may make subsequent payments in any increment they choose with a minimum purchase of \$10.00.
7. Members may apply funds to a Prepay Service account by the same payment methods available for post-pay accounts, with the exception of automatic bank draft and reoccurring payments. Payment methods are provided on Clark Energy’s website at www.clarkenergy.com.
8. Members participating in Prepay Service will not be mailed a monthly paper bill for electric usage or other applicable fees or charges. Account information may be obtained from the web portal or by contacting the office.
9. The member shall be billed daily for the kWh (energy) usage, facility charge, taxes, if applicable, and outdoor lighting, if applicable, in addition to the charge or credit for the fuel cost adjustment and environmental surcharge. The rate of the fuel adjustment and environmental surcharge will be the rates in effect when kWhs are used.
10. The Prepay Service account will not be subject to deposits, late fees, disconnect fees or reconnect fees.
11. During any interruption in service, outage and/or disconnections, the customer charge, prepay fee and security light charges, of applicable, will continue to accrue.
12. Members participating in Prepay Service are required to have either a cell phone for text messages or an email address. If any of the contact information provided changes it is the responsibility of the member to notify Clark Energy or to update their contact information in the web portal.
13. When the amount of funds remaining on a Prepay Service account reaches the established threshold of three (3) days average usage or a dollar amount set by the member, an automated message will be sent to the member rather than a traditional, written notice sent by U.S. mail. Clark Energy shall not be responsible for any failure of the member to receive the automated message. Members have the option, if they choose, to change their threshold amount in the web portal.

DATE OF ISSUE _____ DATE EFFECTIVE March 1, 2019
ISSUED BY _____ TITLE Vice President, Finance
Name of Officer

Issued by authority of an Order of the Public Service Commission in
Case No. 2019-00011 dated _____.

For All Areas Served
Community, Town or City

P.S.C. No. 2

Original SHEET NO 45.3

Clark Energy Cooperative Inc.
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

PREPAY SERVICE RIDER

14. The member shall be responsible for regularly monitoring the balance on the Prepay Service account. The Agreement states that the electric service will be subject to disconnection without any written, verbal or other method of notification from Clark Energy to the member once the balance of the account reaches a negative balance.
15. Should the member have a payment returned for any reason, the returned payment will be immediately charged to the Prepay Service account. The member’s account shall also be charged a return payment fee as referenced in Clark Energy’s PSC approved Rules and Regulations. If there are not sufficient funds to cover the returned item and fee, the account will be disconnected immediately.
16. If a Prepay Service account is disconnected due to lack of funds or any other reason, Clark Energy shall be held harmless for any damages due to loss of energy service. Likewise, if the account is disconnected and the member applied funds to the Prepay Service account thus causing the account to be reconnected, the member accepts full responsibility for any damages to the location caused by the account being reconnected and holds Clark Energy harmless from any damages arising from such a reconnection.
17. A Prepay Service account will be disconnected if the balance of the account becomes negative. The account will be disconnected regardless of weather or temperature; the member is responsible for ensuring that the Prepay Service account is funded. A prepay account that is disconnected due to a negative balance will be required to pay the balance plus a minimum of \$10.00 to replenish the account before the account is reconnected.
18. Financial assistance in the form of a promise to pay for a Prepay Service account will not be credited to the account until payment is received. The promised assistance will be credited to the prepaid balance upon receipt.
19. If a member on a Prepay Service account presents a Certificate of Need, a Medical Certificate or qualifies for a Winter Hardship Reconnect, the member shall be required to transfer to a post-pay service account and a deposit may be required.
20. If a member wishes to disconnect service, the member shall be refunded any credit on the Prepay Service account or credit will be transferred to other active accounts, if applicable.
21. The Prepay Service agreement shall be in effect for one (1) year. After one (1) year, the member may elect to opt out of the Prepay Service program by submitting a written request for cancellation to Clark Energy. If Prepay Service is ended the member must meet the requirements of a post-pay account for continued service.

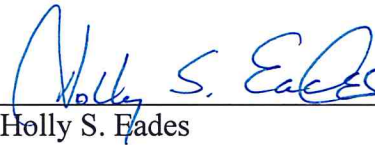
DATE OF ISSUE _____
ISSUED BY _____
Name of Officer

DATE EFFECTIVE March 1, 2019
TITLE Vice President, Finance

Case No. 2019-00011

VERIFICATION

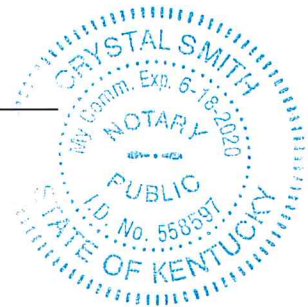
The undersigned, Holly S. Eades, being first duly sworn, states that she is the Vice President of Finance of Clark Energy Cooperative, Inc. and that she has personal knowledge of the matters set forth in the foregoing application and that the statements contained therein are true and correct to the best of her knowledge, information and belief.



Holly S. Eades
Vice President, Finance

COMMONWEALTH OF KENTUCKY
COUNTY OF CLARK

The foregoing was subscribed, sworn to and acknowledged before me by Holly S. Eades, Vice President of Finance for Clark Energy Cooperative, Inc., this the 24th day of January, 2019.


NOTARY PUBLIC

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CLARK ENERGY COOPERATIVE, INC.) CASE NO. 2019-00011
FOR APPROVAL OF A PREPAID METERING TARIFF)

TESTIMONY OF HOLLY S. EADES

- Q1: State your name, occupation and business address.
A1: My name is Holly S. Eades, Vice President, Finance of Clark Energy. My business address is 2640 Iron Works Road, Winchester, KY 40391.
- Q2: Please describe your education and work experience.
A2: I have an Associate Degree in Accounting and I have been employed by Clark Energy since 1982. I have managed the billing and accounting departments since 1994.
- Q3: Please explain how you have been involved in the preparation of this application.
A3: I have prepared the application, exhibits and the tariff.
- Q4: Please explain how the prepay program works?
A4: Our automated metering infrastructure (AMI) interfaces with our customer information system (CIS) and will load daily readings. Prepay accounts will be billed once a day. A member's balance will be available for viewing on our web portal or they can contact our office during business hours. When the amount of funds remaining on a prepay account reaches three (3) days of usage or an amount established by the member, an automated message will be sent to the member. If the account balance becomes negative, the account will be remotely disconnected; once payment is made the service will be reconnected. The member will receive a notification in each instance. A monthly paper bill will not be mailed to members who are on prepay service nor will a delinquent notice be mailed on prepay accounts. There are no disconnect or reconnect fees charged to prepay participants. Service connection and reconnection will be automatic with the AMI meter with the remote switch. Prepay participants will be required to sign a Prepayment Agreement when they choose to have a prepay account. The agreement (Exhibit C) will list all information that the member will need to understand how the prepay program works, how they can obtain their balance, the notifications they will receive, etc.
- Q5: What are the benefits of the Prepay program?
A5: There are several benefits associated with the program. Prepay participants will not be required to pay a security deposit nor be subject to late fees or disconnect and reconnect fees. The program gives members an additional choice in how they manage their electric service.
- Q6: Does the Prepay Agreement specify a time limit an account must remain on the prepaid program? If so, will there be exceptions to the time limit if the prepaid program is not working for the member?
A6: The Prepay Agreement is for a period of one (1) year. If the prepay program does not work for a member, Clark Energy will allow them to change to a post pay account subject to Clark Energy's rules and regulations regarding security deposits.
- Q7: Who is eligible to participate in the Prepay program?
A7: Residential accounts within the territory serviced by Clark Energy excluding accounts on Levelized Billing, Automatic Bank Draft, net metered accounts, three-phase accounts and services with over a 200-amp entrance.

In addition, members that have life saving medical equipment will be prohibited from participating in the prepay program.

- Q8: Are there any other circumstances that would exempt a member from having prepaid service?
- A8: If a member on a prepay account presents a Certificate of Need, a Medical Certificate or a Winter Hardship reconnect, the member shall be required to transfer to a post pay account. No charge will be assessed; however, a deposit may be required based on Clark Energy's rules and regulations.
- Q9: What is the required initial purchase amount for a member activating a prepaid account and the minimum amount for subsequent purchases?
- A9: Clark Energy will recommend an initial purchase of \$ 100.00 and subsequent purchases will be subject to a \$10.00 minimum.
- Q10: How many members did Clark Energy use to estimate participation in the prepay program to develop the fees proposed in the tariff?
- A10: Clark Energy is estimating that 75 members will sign-up the first year. The estimate used is for an additional 75 members to sign-up each year, for six (6) years or approximately two (2) percent of total residential services, as illustrated in Exhibit B, Attachment 1.
- Q11: What fees will be charged to participants of the prepaid program?
- A11: Clark Energy feels that the prepaid program is another payment option for our members and does not want to make the program cost prohibitive. The fees Clark Energy is requesting in the tariff are for the extra costs Clark Energy will incur for the prepaid program. These fees are expenses that would not be applicable to post pay accounts. The requested fee to participants of the prepaid program is a monthly fee of \$ 5.00. (See Exhibit B, Attachment 1)
- Q12: How did Clark Energy determine the monthly fees for the prepay program?
- A12: The Prepay Service program expenses will vary based on the number of participants and the amortization of the software/implementation fee. Once the software/implementation fee is amortized and as the participant number grows, the monthly expenses fees will be reduced. Clark Energy estimated a gradual annual increase in the number of participants based on polling of other cooperatives that have the prepaid program. Exhibit B, Attachment 1, shows an estimate of the calculation of the program expenses and participants for a six (6) year period to illustrate how the monthly expenses will vary.
- Q13: Why is Clark Energy only requesting a \$5.00 monthly fee?
- A13: The fees are calculated on estimates. The participation may be more or less than anticipated. Again, Clark Energy does not want the prepay program cost to be prohibitive for our members. As stated above, once the amortization of the software/implementation fee is complete and the participants grow, the program costs will reduce. The program will be in effect for an infinite time and Clark Energy feels the \$5.00 fee will cover the expenses of the program. There will be some cost savings to Clark Energy from the prepay program. Prepay participants will not pay a deposit, therefore, Clark Energy will not be paying interest on deposits. Prepay participants are paying up front which will benefit cash flow and may lessen the interest Clark Energy pays on short-term borrowing. Clark Energy should see a reduction in bad debt expense for the prepay participants and will have savings on the number of truck rolls to disconnect/reconnect for non-payment. It is impossible to put a dollar amount of the possible savings for the prepay program but Clark Energy does feel that the \$5.00 fee plus the savings will cover the prepay program expenses.
- Q14: How did Clark Energy estimate the four (4) hours monthly for billing/monitoring?
- A14: Once the CSRs have completed the Prepay Service program sign-up, the prepay account will have to be altered to set-up the prepay account in the billing system. The estimated hours are for the billing set-up, monitoring and bill calc process. Once the meter has been changed in the field, the meter exchange will be worked in the billing system and the account will be changed to prepay. The rate and billing cycle changes will be made and the account will be modified for the system not to generate a bill. The contact information for notifications will also be set-up for the member. Once a month the prepay accounts will go through an actual billing to true-up the account and the CSRs will go through the prebill process the same as the post pay cycles.

Q15: Why has Clark Energy not included a charge for the remote disconnect meter?

A15: Clark Energy does not feel that the prepay participants should be charged for the cost of the remote switch since Clark Energy has numerous remote disconnect meters on their system.

Q16: Why did Clark Energy not propose a transaction fee?

A16: Clark Energy does not charge transaction fees to post pay members and will not incur any additional expenses for prepay members making payments.

Q17: How can members make payments to their prepay account(s)?

A17: Prepay participants can make payments by most of the same methods as post pay members. Payments can be made 24 hours a day on our webpage, by phone using our IVR system and mobile payments from their phones. Payments can be made in person in our offices during business hours. The only payment methods that prepay members cannot use is recurring credit card or bank ACH payments.

Q18: How was the low balance threshold to send a message to the member determined?

A18: Members have different daily usage patterns so an established threshold of three (3) days of usage was selected as a default instead of a set dollar amount. The member will note, on the prepay agreement, if they would prefer a set dollar amount when signing up. In addition, members will be able, if they choose to do so at a later date, to change their threshold to a dollar amount in the web portal.

Q19: When will disconnects occur?

A19: A prepaid account will be disconnected if the balance of the account reaches a negative balance. The account can be disconnected regardless of temperature or weather as the member is responsible for ensuring that their account is sufficiently funded. Service will not be disconnected over the weekend or on a holiday. If the balance becomes negative during the weekend or holiday, the service will not be disconnected until the next business day.

Q20: How will the availability of the prepay program be communicated?

A20: Clark Energy will communicate the availability of the Prepay Service program through Clark Energy's insert in the Kentucky Living magazine, via our website www.clarkenergy.com, social media, bill messages, information posted in our offices and one-on-one discussion with our customer service representatives.

Q21: Will Clark Energy attempt to move members from post pay to the prepay program?

A21: Clark Energy will not attempt to influence a member's decision to participate in the prepay program. Clark Energy considers the Prepay Service program an additional payment method for our customers and a good option for members facing a large deposit. Members will be educated about the prepay program so they can make an informed decision.

Q22: Does this conclude your testimony?

A22: Yes, this concludes my testimony.

Prepay Service costs

Monthly program expenses		75	150	225	300	375	450
	Estimated participants						
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
**	Monthly amortization (5 years)	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$0.00
	Monthly support fee	\$375.00	\$375.00	\$375.00	\$375.00	\$375.00	\$375.00
	CSR - Billing/Monitoring						
***	Labor - 4 hours month	\$101.48	\$104.52	\$107.66	\$110.89	\$114.22	\$117.64
	Benefits (63 %)	\$63.93	\$65.85	\$67.83	\$69.86	\$71.96	\$74.12
		<u>\$748.74</u>	<u>\$753.70</u>	<u>\$758.82</u>	<u>\$764.08</u>	<u>\$769.50</u>	<u>\$566.76</u>
	Monthly per participant	\$9.98	\$5.02	\$3.37	\$2.55	\$2.05	\$1.26
Per member expenses							
	CSR signup per member						
***	Labor - 15 min	\$6.34	\$6.53	\$6.73	\$6.93	\$7.14	\$7.35
	Benefits (63 %)	\$4.00	\$4.12	\$4.24	\$4.37	\$4.50	\$4.63
		<u>\$10.34</u>	<u>\$10.65</u>	<u>\$10.97</u>	<u>\$11.30</u>	<u>\$11.64</u>	<u>\$11.99</u>
	Field Service Tech						
***	Labor - 30 min	\$10.89	\$11.21	\$11.55	\$11.89	\$12.25	\$12.62
	Benefits (63 %)	\$6.86	\$7.06	\$7.28	\$7.49	\$7.72	\$7.95
		<u>\$17.74</u>	<u>\$18.27</u>	<u>\$18.82</u>	<u>\$19.39</u>	<u>\$19.97</u>	<u>\$20.57</u>
	Total per member expense	\$28.08	\$28.92	\$29.79	\$30.69	\$31.61	\$32.55
	Amortize 12 months - contract period	\$2.34	\$2.41	\$2.48	\$2.56	\$2.63	\$2.71
	Monthly per participant cost	\$12.32	\$7.44	\$5.86	\$5.10	\$4.69	\$3.97
	Requested per member monthly fee	\$5.00					

** Implementation/software fee \$12,500
RUS bulletin 1767B-1 (Attached)

*** Wages estimated to increase 3% per year

Dr. 131.1, Cash - General
Cr. 123.1, Patronage Capital from Associated
Cooperatives

To record the cash receipt of patronage capital credits from cooperative lenders.

301 Forfeited Customers' Deposits.

Customers may be required to make deposits to guarantee payment of amounts billed for electric service. When a customer discontinues service, the customer's deposit shall first be applied to unpaid energy bills, with the balance remitted by check to the customer. If the check is returned, it shall be voided and the original entry that was made when the check was issued shall be reversed.

Unclaimed balances of customer deposits shall remain in Account 235, Customer Deposits, until the legal liability of the cooperative to make such a refund has elapsed. When there is no further legal liability to refund the deposit and if it does not escheat to the state, it shall be transferred to Account 144, Accumulated Provision for Uncollectible Customer Accounts - Credit, retaining full information of all particulars.

401 Computer Software Costs.

Computer software consists of programs and routines (sets of computer instructions) which direct the operation of the computer. Software may refer to generalized routines useful in computer operations or to programs for specific applications such as payroll.

The distinction between generalized software and application software is important. Generalized software provides operating support for individual applications. This would include programs for such tasks as making printouts of machine-readable records, sorting records, organizing and maintaining files, translating programs written in a symbolic language into machine-language instructions, and scheduling jobs through the computer. These programs are generally furnished by the manufacturer.

Application software consists of a set of instructions for performing a particular data processing task. Application programs are generally written by the user installation, but are frequently obtained as prewritten packages from software vendors. Application software includes programs such as payroll, billing, general ledger, as well as engineering or managerial applications.

Costs incurred with the purchase or development of computer software shall be accounted for as follows:

1. Capitalize in a subaccount of Account 391, Office Furniture and Equipment, all costs for generalized software. Depreciate the cost over the service life (or remaining life) of the main hardware (i.e., containing central processor). If the purchase invoice does not break out or assign a cost to the "generalized software," it is appropriate to include the full amount in hardware costs. Capitalize in a separate subaccount of Account 391, all costs for applications software determined to have a service life of over one year. Depreciate the cost over the estimated useful service life of the program. This depreciation period shall not exceed five (5) years. RUS realizes, however, that there may be circumstances that justify a useful life longer than 5 years. When this is the case and it is management's intent to utilize these programs over an extended period, written justification shall be submitted to RUS for approval.



This confidential Purchase Order is made with an Effective Date of April 24, 2018
by and between:

National Information Solutions Cooperative, Inc. ("NISC") Attn: General Counsel One Innovation Circle Lake Saint Louis, MO 63367 Notice Address: Same as above with copy to: LegalNotices@nisc.coop	Clark Energy Cooperative, Inc. 2640 Iron Works Rd Winchester, KY 40392 Notice Address: Same as Above
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- 1. Incorporation of NISC Master Terms and Conditions and/or Software and Service Agreement.** Member's purchase and use of the Software, Services and/or Equipment listed in the attached Schedule 1 is subject to the terms and conditions of the NISC Master Software and Services Terms and Conditions ("NISC Master T&Cs") or the NISC Software and Service Agreement ("NISC SSA"), whichever is currently in effect governing Member's use of all Software, Services and/or Equipment provided to Member by NISC, together with any applicable Additional Terms and Conditions. In the event that Member is not currently, but in the future becomes, subject to the NISC Master T&Cs, Member and NISC agree that Member's continued use of the Software, Services and/or Equipment listed in Schedule 1 shall be governed by the NISC Master T&Cs at such time as Member becomes subject to their terms. Definitions of terms that are used but not otherwise defined in this Purchase Order are set forth in the NISC Master T&Cs or the SSA.
- 2. Agreement to Purchase.** Member is placing an order for the Software, Services and/or Equipment listed in the attached Schedule 1, which is incorporated in, and made a part of, this Purchase Order. Member agrees to pay NISC all applicable Charges for such Software, Services and/or Equipment, including but not limited to all Monthly Recurring Fees, Implementation Fees, Third Party Fees, Other Service Fees, Equipment Charges, Costs and Travel Time. Schedule 2 attached to this Agreement, which is incorporated in and made a part of this Purchase Order, is the Statement of Work for the Software, Services and/or Equipment described in Schedule 1 and sets forth the Implementation Services NISC will provide and other related matters.
- 3. Binding Agreement.** This is an offer made by Member to NISC and subject to NISC's approval. This Purchase Order and the Agreement will be valid and binding upon the parties when signed by NISC.
- 4. E-Execution & Storage.** This Purchase Order may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Purchase Order may be executed and/or stored in electronic format only; an electronic, scanned, or facsimile signature shall be valid for all purposes; and the destruction in the ordinary course of business of any document containing a "wet" signature shall not invalidate this instrument.

National Information Solutions Cooperative, Inc.

Clark Energy Cooperative, Inc.

Signature: e-Signed by David Bonnett
Name: David Bonnett
Title: VP Sales & Marketing
Date: April 24, 2018

Signature: e-Signed by Holly Eades
Name: Holly Eades
Title: Vice President, Finance
Date: April 24, 2018



Pricing Estimate

The pricing below is an estimate based on the current number of agreements which will be adjusted quarterly. Both the Implementation Fee and Monthly Recurring Fees will be billed following the Go Live Date.

Price Estimate	Implementation Fee	Monthly Recurring Fee
Prepaid	\$12,500	\$375

Prepaid Metering Pricing

Prepaid Implementation Fee

The Prepaid Implementation Fee is based on the total number of agreements. There currently is a minimum Prepaid Implementation fee of \$3,000 and a maximum Prepaid One-Time fee of \$12,500. Prepaid One Time Fees currently are as follows:

Prepaid Implementation Fee Description	Unit Price per agreement
Per agreement (Minimum of \$3,000 – maximum of \$12,500)	\$0.50

Prepaid Monthly Recurring Fees

Prepaid Monthly Recurring Fees are based on the total number of agreements. There currently is a minimum Prepaid Monthly Recurring fee of \$150 and a maximum Prepaid Monthly Recurring fee of \$375. Prepaid Monthly Recurring Fees currently are as follows:

Prepaid Monthly Recurring Fees Description	Unit Price per agreement
Per agreement (Minimum of \$150 – maximum of \$375 per month)	\$0.015

Clark Energy – Case No. 2019-00011

Prepay Services notification examples:

Low balance notification:

Prepaid Low Balance Below Cutoff

[REDACTED]

Your prepaid credit balance is running low for account [REDACTED]. At this time your **balance is -\$22.17.**

For continued service, payments can be made through the normal channels. Because this is time-sensitive we do not recommend mailing your payment.

Contact our Customer Service department at (859) 744-4251 or (800)992-3269 with any questions. Thank you.

Prepaid account balance depleted notification:

Prepaid Account Balance Depleted

[REDACTED],

Your prepaid credit balance is **depleted** for account [REDACTED]. At this time the **amount owed is \$63.59.** Service is subject to disconnection if not paid **immediately.**

For continued service, payments can be made through the normal channels. Because this is time-sensitive we do not recommend mailing your payment.

Contact our Customer Service department at (859) 744-4251 or (800)992-3269 with any questions. Thank you.

Service disconnected/reconnected notification:

Service Reconnected

[REDACTED],

Your prepaid service for account [REDACTED] has been **reconnected.** At this time the account credit **balance is -\$25.00.**

Contact our Customer Service department at (859) 744-4251 or (800)992-3269 with any questions. Thank you.

CLARK ENERGY COOPERATIVE, INC.

PREPAY SERVICE AGREEMENT

Member Name _____	E-mail _____
Account No. _____	Cell Phone _____

The undersigned (hereinafter called the "member") hereby applies for participation in the voluntary Prepay Service program offered to members of Clark Energy Cooperative, Inc. (hereinafter called the "Cooperative"), and agrees to the following terms and conditions:

1. The member shall purchase electric energy from the Cooperative in accordance with the present and any future rate schedule of the Cooperative on a prepay basis for the above referenced account. The member understands that the terms and conditions set forth in the member's Application for Membership continue to apply in addition to the terms and conditions of this Agreement for Prepay Service subject to any changes set forth in this agreement.
2. A current post-pay member can transfer to the Prepay Service program. The member authorizes the kWh used since the last bill date until the date the account is changed to Prepay Service to be calculated and transferred to the Prepay Service account. Clark Energy will, if requested, assist members to set up a payment agreement. Any fees/penalties (returned payment, meter tampering, etc.) shall be paid before any purchases for funding is applied to the member's Prepay Service account.
3. Budget billing, automatic draft, net metering, accounts with lifesaving medical equipment, three-phase accounts and accounts with greater than 200-amp service are not eligible for Prepay Service.
4. Any deposit on the above referenced account will be applied to the final billing for the post-pay account before the account changes to Prepay Service. Any credit remaining on the account will be applied to the Prepay Service account. However, if the member has another account(s) and does not have a satisfactory credit history, the remaining credit will be transferred as a deposit to the unsecured account(s). The deposit will only be refunded by applying it to the member's account(s) as described above.
5. The recommended initial payment for Prepay Service is \$100.00. Members may make subsequent payments in any increment they choose with a minimum purchase of \$10.00.
6. Members may apply funds to a Prepay Service account by the same payment methods available for post-pay accounts, with the exception of automatic bank draft and reoccurring payments. Payment methods are provided on the Cooperative's website at www.clarkenergy.com.
7. Members participating in Prepay Service will not be mailed a monthly paper bill for electric usage or other applicable fees or charges. Account information may be obtained from the web portal or by contacting the office.
8. The member shall be billed daily for the kWh (energy) usage, facility charge, taxes, if applicable, and outdoor lighting, if applicable, in addition to the charge or credit for the fuel cost adjustment and environmental surcharge. The rate of the fuel adjustment and environmental surcharge will be the rates in effect when kWhs are used.
9. During any interruption in service, outage and/or disconnections, the customer charge, prepay fee and any security light charges will continue to accrue.
10. Members participating in Prepay Service are required to have either a cell phone for text messages or an email address. If any of the contact information provided on this agreement changes it is the responsibility of the member to notify the Cooperative or to update their contact information in the web portal.
11. When the amount of funds remaining on a Prepay Service account reaches the established threshold of three (3) days average usage or a dollar amount set by the member, an automated message will be sent to the member rather than a traditional, written notice sent by U.S. mail. The Cooperative shall not be responsible for any failure of the member to receive the automated message. Members have the option, if they choose, to change their threshold amount in the web portal.
12. The member shall be responsible for regularly monitoring the balance on the Prepay Service account and understands that the electric service will be subject to disconnection without any written, verbal or other method of notification from the Cooperative to the member once the balance of the account reaches a negative balance.

13. A Prepay Service account shall not be eligible for payment plan arrangements.
14. Should the member have a payment returned for any reason, the returned payment will be immediately charged to the Prepay Service account. The member's account shall also be charged a return payment fee as referenced in the Cooperative's PSC approved Rules and Regulations. If there are not sufficient funds to cover the returned item and fee, the account will be disconnected immediately.
15. If a Prepay Service account is disconnected due to lack of funds or any other reason, the Cooperative shall be held harmless for any damages due to loss of energy service. Likewise, if the account is disconnected and the member applied funds to the Prepay Service account thus causing the account to be reconnected, the member accepts full responsibility for any damages to the location caused by the account being reconnected and holds the Cooperative harmless from any damages arising from such a reconnection.
16. By signing this agreement, the member affirms there are no residents in the home that currently have lifesaving medical equipment that will be impacted by loss of service. Should this status change, the member shall contact the Cooperative in writing, at which time the account will be removed from Prepay Service. It is the responsibility of the member to confirm the Cooperative is in receipt of the written request for removal from Prepay Service.
17. A Prepay Service account will be disconnected if the balance of the account becomes negative. The account will be disconnected regardless of weather or temperature; the member is responsible for ensuring that the Prepay Service account is funded. *A prepay account that is disconnected due to a negative balance will be required to pay the balance plus a minimum of \$10.00 to replenish the account before the account is reconnected.*
18. Financial assistance in the form of a promise to pay for a Prepay Service account will not be credited to the account until payment is received. The promised assistance will be credited to the prepaid balance upon receipt.
19. If a member on a Prepay Service account presents a Certificate of Need, a Medical Certificate or qualifies for a Winter Hardship Reconnect, the member shall be required to transfer to a post-pay service account and understands a deposit may be required.
20. If a member wishes to disconnect service, the member shall be refunded any balance on the Prepay Service account. Any refund will be processed in the same manner as a post-pay account refund.
21. The Prepay Service agreement shall be in effect for one (1) year. After one year, the member may elect to opt out of the Prepay Service program by submitting a request for cancellation to Clark Energy in writing. If Prepay Service is ended, the member must meet the requirements of a post-pay account for continued service.
22. The member, by signing this agreement, confirms the ability to receive electronic communications and understands it is the member's responsibility to manage their own communication devices.
23. The undersigned agrees that Cooperative personnel have thoroughly explained this Prepay Service program and have fully informed the member of all aspects of the program.

Preferred method of notification: E-mail _____ Text _____ Both _____

Low balance notification: Three (3) days average usage _____ OR \$ _____

Member Signature: _____ Last 4 SSN: _____ Date: _____

Member Signature: _____ Last 4 SSN: _____ Date: _____

CSR Signature: _____ Date: _____