



## **Policy 121: Disconnection**

Board Approved: July 26, 2023

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Board President

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**Purpose:** To set guidelines for the disconnection of electric service.

### **Disconnection of Delinquent Accounts:**

- 1) McKenzie Electric Cooperative, Inc. (MEC) bills on calendar month basis. Electric bills will be issued to each member and will specify the date payment is due.
- 2) An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.50% per month penalty will be assessed on the unpaid balance. The penalty may be waived, in full or part, by the action of the Business Manager and the CEO for good cause shown.
- 3) MEC may disconnect service if the member's account is delinquent. The member and/or third party designated by the member shall be notified in writing, sent by certificate of mailing, of the proposed disconnection of service. The written notice will indicate the amount that must be paid by a specific date in order to avoid disconnection.
- 4) In the event the member has more than one account, all electric services may be disconnected if one account is delinquent.
- 5) MEC management may determine that weather conditions necessitate a postponement of the proposed disconnection of service. If a scheduled disconnection is postponed, it may be rescheduled to any day thereafter, without further notice.
- 6) If a member has made payment arrangements to avoid disconnection and has failed to make those payments, service may be disconnected without further notice.
- 7) MEC will charge a disconnect fee of \$60.00 once the service is processed for disconnection.

### **Restoring Service:**

- 1) To restore service disconnected for nonpayment of bill, the member will be required to pay the entire balance due plus any disconnection fees, and accrued facilities charges, and any additional security deposits assessed.
- 2) A service disconnected for nonpayment or due to a member leaving the system will not be

reconnected to a spouse, relative, member of the same household, or to a member having substantial relationship or identity with the member who was disconnected until all delinquent or unpaid bills are paid in full.

**Dispute and Appeal:**

- 1) Any member who disputes his or her bill should notify MEC in writing. The member has the right to present arguments and evidence to MEC's management prior to the disconnect date. Service will not be disconnected for nonpayment of a disputed bill prior to action by the Board of Directors, provided
  - a) MEC is notified before the bill is delinquent; and
  - b) Payment of all undisputed charges are paid when due.
- 2) If the bill cannot be clarified to the member's satisfaction, the member shall have the right to request a hearing before the Board of Directors at the next regularly scheduled Board meeting. The decision of the Board of Directors following this hearing will be final.

**Miscellaneous Disconnections:** In addition to disconnecting for non-payment, MEC may discontinue the supply of electric service to any member without notice for any of the following reasons:

- 1) Non-payment of other arrears not associated with an electric service billing.
- 2) Fraudulent representations as to the use of electric service.
- 3) Service defects and/or hazardous conditions.
- 4) Refusing access to meter locations or MEC Facilities.
- 5) For repairs or emergency conditions.
- 6) For unavoidable shortages or interruptions in MEC's source of supply.
- 7) Whenever such action is necessary to protect MEC's source of supply.
- 8) Whenever such action is necessary to protect MEC facilities from fraud or abuse.
- 9) When court ordered to do so.
- 10) When the Board of Directors has determined that the member has not complied with provisions of the MEC bylaws or policies after notice to the member.

**Medical Provisions:** If a member has severe medical problems or uses life-support equipment, special provisions may be arranged. MEC requires written certification from a licensed physician stating that interruption of electric service would be life-threatening or could seriously aggravate the medical condition and should detail the type of equipment in use. Annual recertification of medical condition may be required.